

**2017 SENATE APPROPRIATIONS**

**SB 2019**

# 2017 SENATE STANDING COMMITTEE MINUTES

**Appropriations Committee**  
Harvest Room, State Capitol

SB 2019/SB 2079  
1/4/2017  
Job # 26579

- Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

SB 2019/SB 2079 is to provide an appropriation for defraying the expenses of the state board for career and technical education.

## Minutes:

Testimony Attached # 1 – 9;  
Additional letters of support # 10 – 20.

**Legislative Council – Adam Mathiak / Michael Johnson**  
**OMB – Becky Deichert**

**Chairman Holmberg** called the committee to order on SB 2019 (basic budget bill) and corresponding bill SB 2079 (base budget and the executive recommendation toward that budget.)

**Wayne Kutzer, Director, Department of Career and Technical Education** – Testified in favor of SB 2019/2079 – Testimony Attached # 1.

**Senator Robinson:** (20:40) When you talk about the online & distance education, is that delivered through your low-tech centers? Do you have any coursework that is being delivered through the distance education program in Fargo?

**Wayne Kutzer:** There are some core tech ed classes that are being delivered through the center for distance education – ag courses, and a few other ones. If you look at the gold handout in your packet, it lists the courses. This year is not complete because we don't have adequate information, but the vast majority of these courses are delivered by area career technology centers either through interactive video system or online.

**Senator Jim Roers, District 46, Fargo** No written testimony.

(24:15) testified in favor of SB 2019. I am here to speak on the need for technical training in our industry. Many years ago, we developed a skills and technology center in Fargo, ND which was an extension of Wahpeton School into the Fargo area. That was a hugely successful project and it helped us fill the need of putting skilled workers in our industry. Our company has hired many graduates of ND institutions over the years with all of the disciplines and many are degrees and advanced degrees, but nothing was greater to our industry than

the skills training today. I have a 3:00 committee meeting, but I wanted to ask you to support the skills in our state in the career and technical training opportunities. Thank you.

**Wayne Kutzer** – (continuing with written testimony)

**Chairman Holmberg:** (36:06) Thanked Wayne Kutzer for the information and also for the suggestions as to how the committee may look at the bill. In the last few years, the budget has grown a great deal in the State of ND. In the last 50 years, from 1967, the highest reduction of a general fund budget was 7%. This budget we have before us is 21% reduction. It's historic from that standpoint. The Maintenance of Effort, the numbers you utilized don't mesh with one of the sheets with one of the sheets that we have, so I've asked Adam to look at that. Other states have had some serious financial problems over the past few years. Are there specific examples of states that lost their Perkins funding because of Maintenance of Effort? (Wayne will get him the information.)

**Chairman Holmberg named the sub-committee: Senators Erbele, Holmberg, Robinson.**

**Senator Mathern:** What is the time frame for the decision by the congress of Perkins dollars availability – in light of our legislative session? Is there some point at which you know if there will be Perkins dollars? Or how many? Or what is Congress' intent?

**Wayne Kutzer:** The Perkins Act was just about renewed this year. It came out of the House 430-5 as far as passing. It didn't quite get through the Senate. The dollar amounts will remain pretty much the same. I am very confident that the dollars from the federal level will not be going away. We've heard instances where it may even go up because of some of the goals of the new administration. From a state's perspective, we're a minimum funded state so we've received \$4.2M for about 20 years. The total dollars for federal is about \$1.1B. That would have to increase substantially for ours to go up – again, because we're a minimum funded state. We're very stable in terms of that. Our money will not go down unless there are some continuing resolutions or something similar.

**Senator Dever:** Sometime in the next 3-4 weeks, we're probably going to get some adjusted numbers from Governor Burgum and he's laid out his priorities and talked about re-inventing government, but in particular, the delivery of education. Have you had conversations within or should we expect major or minor changes? Would you argue that delivery of career and technical education might be different than traditional education?

**Wayne Kutzer:** I have not had conversations with the Governor? I have talked with some of the staff, but not very in-depth conversations at all yet. The delivery make career and tech ed better than most education. There is the involvement of the instructor. The involvement of the students learning because it's active learning whether you are in an auto tech shop or sitting in a marketing club or a business education class. You're actually working on things that have relevance to real life. They can relate. It's not 'why do I have to take this?' They understand that. In the last 10 years, in terms of distance delivery offering to schools to put it out, for a relatively modest investment of what we provide to schools, there are many schools that now have access to health sciences. For all the delivery classes, one of our requirements is that the students are assessed the same way, whether it's a face-to-face

class or an online class. The same assessment has to happen. Face-to-face is the best way, but we have a lot of small schools so we have to make sure those students have the same opportunities.

**Al Schwalbe, Student, State FFA President**, from Beulah, ND: Testimony Attached # 2. (43:10) Testified in favor of SB 2019.

He was influenced by agricultural educators and schools are looking for more of them so he asked the committee for funding for life beyond high school.

**Don Schilling, President, General Equipment and Supplies, Inc., Fargo, ND.**

(53:40) Had a slide presentation – Testimony Attached # 3

Testified in favor of SB 2019

Speaking from power point slides -

**Senator Wanzek:** (1:07:45) I'm surprised by the tax ramifications. Is it considered compensation rather than tuition assistance?

**Don Schilling:** Yes, it is. It is income. If they take out a student loan, we'll pay 36 monthly payments directly to the student loan, but it is income for them.

**Senator Krebsbach:** (1:09:00) One remark you made in your testimony, 'Do not divert educational dollars to duplicate programs that are not working'. We're always concerned about state dollars being duplicated. Do you have examples of this happening within this career program?

**Don Schilling:** I know over the course of time, there has been things in place where they've tried to start other diesel programs, whether in Bismarck, Williston, or we've added a program in Devils Lake. If you look at the NDSCS model, there is somewhere in the area of \$25M dollars of donated tooling and educational training items there. A lot of it is given by companies like us but also companies like John Deere, Case, Komatsu, Caterpillar. They only have so much money to give. They're not going to give it to two entities. We need to make one entity to be the superior and provide us the top quality technician that we need and let the other areas produce soft skills and help introduce students into the program.

**Senator Bowman:** (1:10:44) As we've seen a lot of changes in agriculture and technology, are the people that are going to be trained going to have the skills for the technology and mechanical parts of working on this equipment so we're not duplicating when we should be combining?

**Don Schilling:** We're looking for the basics when they graduate from a school like NDSCS. Each one of my technicians is probably going through anywhere from 40-80 hours of training annually specific to the types of products he will be working on. Then they have the basics nailed and we won't have to re-train them when they come to my location.

**Deana Wiese, Executive Director, Information Technology Council of North Dakota.**

(1:12:13) Testimony Attached # 4. Testified in favor of SB 2019.

Asked the committee to consider reinstating funds into the CTE budget.

**Tony Grindberg, VP for Workforce Affairs, NDSCS**, Representing TrainND.

(1:15:30) Testimony Attached # 5. Testified in favor of SB 2019.

He was asked to provide opening remarks on behalf of the 4 TrainND Directors: Sara Vollmer, Bismarck State College; Joe Schreiner, ND State School of Science; Deanette Piesik, Williston State College; and David Steffen, Lake Region State College.

He explained the program and said the directors felt it best that the appropriation committee hear about TrainND the business community.

**Uma Hoffmann, Steffes Corporation, LLC, from Dickinson, ND** No written testimony.

(1:19:50) Testified in favor of SB 2019.

She wanted to share the impact that TrainND has had on her industry, particularly manufacturing. The industry is changing and will continue to change and grow. There is a lot of movement in manufacturing across the state and without the TrainND support and the training models as well as customized training, it would be very difficult to bring those learning opportunities to our local areas. In Dickinson, in 2016, TrainND brought a variety of models and we were actually able to have leadership and soft skills training in addition to technical training that were available. That all comes out of the CTE budget and they would love to see it continue and grow. In the SW region, over 3000 people were trained in fiscal year 2015 and across the state there were over 11,000. The program has had a profound impact in manufacturing across the state.

**Dan Hannaher, Executive Director, Health Policy Consortium (Altru in Grand Forks, Trinity in Minot, Sanford in Bismarck and Sanford in Fargo)**

(1:22:00) No written testimony. Testified in favor of SB 2019.

He is speaking from the perspective of Sanford because he doesn't have all the number from their other partners. He wanted to give a snapshot of the importance and vital nature of the programs at CTE on the healthcare profession. Some of our job openings right now for Sanford in Fargo and Bismarck – in the nursing field, we currently have 559 openings which include RNs, LPNs and a lot of nurse assistants that can benefit or grow through these programs. In the professional sector, which includes coding, software engineers, administrative assistants, technicians and clinical informatics. We have openings for 136. In the 559 nursing openings, 439 are in Fargo, 120 in Bismarck. On the professional side, 103 in Fargo, 33 in Bismarck. In license professions, such as medical lab scientists, technicians, home health aids, EMTs, para-medics – we're currently looking for 89 of them in Fargo, and 60 in Bismarck. In facility, warehouse maintenance, groundskeepers, technical positions that are running those plants, there are 143 open positions – 81 in Fargo and 62 in Bismarck. In culinary, needs include cooks, dietitians, nutrition assistants, 121 are currently in Fargo and 34 in Bismarck. We are currently looking at a need of over 1100 positions largely supported by programs from CTE, so he strongly urged the committee to support the program.

**Ron Ness, President, ND Petroleum Council.** No written testimony.

(1:25:20) Testified in favor of SB 2019.

Wanted to stand in support of TrainND NW. They provide entrée level and advanced technical skill and safety training. In 2016, there were 247 companies and over 8500 employees, and in 2015, there were 269 companies and over 16,000 employees which are critical to their industry and to the oil and gas operations in NW North Dakota. They have adjusted their training as throughout the downturn and found the niche markets and still provided training to 8000 people. In 2015, they had about a 11.5 to 1 return on the dollar

that was provided to them and in 2016, it was about 6 to 1 return on the dollar that was provided.

Recent hiring activity, their training has increased 20% from November of 2016 into December of 2016 so they anticipate these numbers are going to continue to grow. This has filled a critical need for safety training for the employees for over 350 companies and that speaks volumes for what this program has been able to do and asked for continued funding for the program.

**Tom Shorma, CEO/President, WCCO Belting, Wahpeton, ND.** (No written testimony.)

(1:27:19) Testified in favor of SB 2019.

He is 2<sup>nd</sup> generation family member and leader of a company founded by his father in 1954. The company was a one man shoe repair business that grew to include 2 companies and over 1000 employees.

WCCO is a primary sector manufacturer that produces custom engineered belting solutions and sells the product into 23 countries and growing. He wanted to thank the legislators for creating TrainND legislation for HjjjjjB1443 in 1999. He will continue to use TrainND as part of their success.

Three years ago, their business had grown to a total of 257 employees in Wahpeton. Today they struggle to fill the job openings they have and are now down to 213 employees. That drop may put a lot of companies at jeopardy, however, the reduction of fulltime employees from 257 to 213 was actually part of their long term strategic plan because of our inability to find enough people. Three years ago, they raised everyone's wages with the expectation that they would have to produce more product. They initiated a top to bottom training program and their training wage from everything from entry level to 100 level to 400 level curriculums that they created. The greater their skills, the more they would be paid. All training was from internal leaders and others delivered from TrainND and some from NDSCS. It was all done to help them produce more product with fewer people. The results over three years, with WCCO Belting investing \$500,000 and 30,000 hours of training in 18 months. It is that training initiative that helped them reduce the size of their workforce by 20% but at the same time producing 20% more product. He thanked the committee and those who made TrainND possible.

**Perry Lubbers, Vice President of Manufacturing, Trail King Industries, West Fargo.**

No written testimony. Testified in favor of SB 2019/2079.

(1:31:35)

Back in 2008 when the economy wasn't doing very good, they ended up closing their facility in PA and moving the aluminum product to their West Fargo facility. It was all aluminum and they had no welding skill for aluminum in their Fargo facility. With the help of TrainND and NDSCS, they developed an aluminum weld skill program and 4 other programs as well: supervisor training, steel weld training, fabrication and machining and solid works training. Since 2011, they've trained 101 team members in the programs. Trail Kings cost as a result of that training was \$988,000. The incentive we got through the program was \$169,000. Of the 101 people that were trained, 68 were steel welders. The average salary increase on an annual basis for each of those individuals was \$7,176. That amounts to \$500,000 on an annual basis and makes quite an impact for the communities at large. He said TrainND has been a godsend and has helped the communities overall.

**Bernie Dardis, Fargo Moorhead West Fargo Chamber of Commerce, Board of Directors.** (1:33:48) Testimony Attached # 6. Testified in favor of SB 2019/2079

**ElRoy Burkle, Executive Director, North Dakota Small Organized Schools (NDSOS), Jamestown, ND** (1:36:50) Testimony Attached # 7 Testified in favor of SB 2019.

**Connie Ova, President, Economic Development Association of North Dakota (EDND).** (1:38:30) Testimony Attached # 8. Testified in favor of SB 2019.

**Brent Bogar - Greater ND Chamber (GNDC)**  
(1:42:10) Testimony Attached # 9. Testified in favor of SB 2019.

**Chairman Holmberg:** Closed the hearing on SB 2019/2079.

Additional Letters of Support for the TrainND program:

Daryl Hovland, Human Resource Director, City of Grand Forks. Testimony # 10.

Eric J. Kuhn, Patrol Agent in Charge, US Border Patrol, Pembina, ND – Testimony # 11.

Shannon Duerr, Executive Director, Cavalier County Job Development Authority (CCJDA) – Testimony # 12.

Maggie Suda, Developer, Pembina County JDA & Julie Campbell, Director, Walsh County JDA - Testimony # 13.

Karissa Olson, Administrator, Eventide Heartland Care Center, Devils Lake, ND - Testimony # 14.

Ellie Nickel, Human Resources Manager, Doosan Bobcat Company, West Fargo, ND – Testimony # 15.

Tiana Bohn, Corporate Training Coordinator & Jim Albrecht, CEO, ComDel Innovation, Wahpeton, ND – Testimony # 16.

Reese Boehm, TrainND SW Advisory Board Member, Great River Energy, Underwood, ND – Testimony # 17.

Blake Crosby, Executive Director, North Dakota League of Cities – Testimony #18.

Uma B. Hoffman, Human Resources Manager, Steffes, LLC, Dickinson, ND & TrainND SW Advisory Board Member – Testimony # 19.

James P. Gartin, President, Greater Fargo Moorhead Economic Development Corporation, Fargo, ND – Testimony # 20.

# 2017 SENATE STANDING COMMITTEE MINUTES

## Appropriations Committee Harvest Room, State Capitol

SB 2019 (Subcommittee)  
1/27/2017  
Job # 27524

- Subcommittee  
 Conference Committee

Committee Clerk Signature

*Eva Schubert for Chair DeCher*

### Explanation or reason for introduction of bill/resolution:

A Subcommittee hearing for Career and Tech

### Minutes:

1. Career & Technical Education Base Level Funding Changes
2. Carl D. Perkins Federal Grants

**Senator Erbele:** Called the subcommittee together at 9:30 in the Harvest Room. Present were Senators Holmberg & Robinson. Becky Deichert, OMB and Levi Kinnischtzke, Legislative Council were also present. We welcome Wayne Kutzer to the table. This is a budget that's very important to our students in North Dakota and has a lot of moving parts. I think one of the things we want to get information on today is try to get an understanding of the various funding forces that affect CTE. We were given a worksheet – Testimony attached # 1.

**Levi Kinnischtzke, Legislative Council:** He went over the worksheet and explained the Base Level Funding Changes to the subcommittee. The first section is the section that is under review by this committee, Burgum Executive Budget Recommendation. The committee will need to take a look at the recommendations and see what the committee does or does not want to include. The second column headed, Senate Version is the column, depending on the action of this committee certain items will be placed into this column. The third section that says Senate Changes to Executive Budget that is the difference column between the two. (1:12-2:19)

**Chairman Holmberg:** If you look at that general fund column, the second column where it says, adjust other state-funded grants, the Burgum budget reduces that by 1.174 million and then adds back 1.4 million for grants for state aid.

**Levi Kinnischtzke, Legislative Council:** Actually no. I have to apologize, that is an error on this sheet. Originally what we had decided in the Legislative Council was to net some of the changes between the two Governors recommendations. Originally we had the negative 1.1 million dollars there which was the recommendation by Governor Dalrymple. We had netted that with the 1.4 million addition from Governor Burgum and then we decided to have those broken out still. So actually that line that says, "Adjust other state-funded grants", should not be bold and I will correct that on the next version. That is actually from Governor Dalrymple



and the next line that says, "Adds back funding for grants for state aid", that is the actual amount from Governor Burgum.

**Chairman Holmberg:** That is a reduction in regular type not bold type?

**Levi Kinnischtzke:** The Dalrymple 1.1 million is a reduction and the 1.4 million from Governor Burgum is an addition.

**Chairman Holmberg:** And the numbers at the bottom still add up?

**Levi Kinnischtzke:** That is correct.

**Senator Erbele:** The Burgum recommendation is to protect the Burgum money?

**Levi Kinnischtzke:** Yes, that is correct. The thought was that in order to save the technical educations Carl Perkins federal funding, additional state funding might be necessary. You can also refer to the handout that I passed around to the committee members, Testimony attached # 2 – Carl D. Perkins Federal Grants.

**Chairman Holmberg:** Where does 2272 fit into this picture, assuming that at some point it passes out of the education committee and comes here?

**Senator Erbele:** That has 2.477 million.

**Wayne Kutzer, Director, Dept. of Career & Technical Education:** If 2272 comes through as it is that 2.4 that is in there would replace the ten percent budget cut that was through Governor Dalrymple and would keep.

**Senator Erbele:** You showed that you had locked in those cuts about 2.6, is that right?

**Director Kutzer:** Yes, and there one adjustment I didn't notice until afterwards but of the 2.6 there was 131,000 which was onetime funding that should have been taken out of there and that would reduce it down.

**Senator Erbele:** In the lines above what does that backfill for you?

**Director Kutzer:** It would backfill the 1.1. and realizing the general fund line here, the 1.1 reflects about a 4% reduction because the base that we started with has the other. So the Governor's budget is basically a 10%, but when we are looking at this base the 6 ½ % was taken off the base to begin with. The total between the 6.5 and the 3.5, the 10% comes to that 2.4. It was confusing for me to follow also. Because of where we started with the budgets, the base budget legislatively and as in 2019 doesn't reflect where we started with the 2015-17 biennium.

**Senator Erbele:** What Governor Burgum proposes on that 1.4, that is his suggestion to us. If we don't go with that or feel we can't in the total budget mix, does the education funding of Senator Schaible's bill of 2.4, can that money be used to support the Perkins?

**Director Kutzer:** Yes, actually for us right now the best case scenario would be to ignore the Governor Burgum, the 1.4 and rely on SB 2272 because that is coming out of the foundation aid stabilization fund. That would not require general fund dollars.

**Chairman Holmberg:** There is no difference when we look in the language in the Schaible bill it is for the school districts so it is clearly the elementary and the secondary that will get the money. I recall they put in the definition because you remember when that measure was on the ballot there was that discussion that there were a few voices saying they were going to use it for higher education. One of the reasons some of the education group reported a yes vote was because they had assurances from various leaders that this money would not go to higher education but to elementary and secondary. We would have reduced the general fund appropriation in this bill by the 1.4. Right now the general fund is 31 million.

**Levi Kinnischtzke:** Actually we would increase the general fund because if you would take out the 1.4 million but add back the amount from 2272.

**Chairman Holmberg:** But it is coming from the foundation and stabilization fund.

**Levi Kinnischtzke:** Yes, then because of the funding source change you would be correct.

**Chairman Holmberg:** We will have that other bill and then we will have to talk to the folks to see if it should be folded into your budget.

**Director Kutzer:** We still have to go through the same process that there has to be allotments before that bills funds can be accessed. We would still have to go through and identify the funds that are secondary.

**Chairman Holmberg:** We can access the excess and spend it the way we want to. I don't see any strings attached. At the end of the day Levi will make it right.

**Senator Erbele:** If we look at the left hand column in total funding, does that account for all the money coming through commerce and all the other different pools that identify money for CTE?

**Director Kutzer:** Yes it does. The only dollars that we have that come into CTR, the state general fund, or the Perkins dollars. We have very minimal amount of special funds. We allocate dollars out to some of the post-secondary institutions but we don't get any other dollars then that.

**Senator Erbele:** So the money that is identified like in the commerce?

**Director Kutzer:** I don't know that any is identified in commerce.

**Senator Robinson:** You mentioned earlier that there has always been confusion on the package here because there are four different entities involved in CTE and legislators struggle following the various pieces. Some of the opinions that if there would be any way to consolidate the funding sources it would be helpful in the long run but I think for our next meeting if we could get Wayne and Levi kind of a snapshot of the commerce, higher

education and job service and CTE programs on one spreadsheet, so we get a picture of where these programs are.

**Director Kutzer:** Yes, I know we prepared for all the workforce training where all the dollars, all those different funds.

**Senator Erbele:** Any other information that we should gather?

**Senator Robinson:** That chart would be helpful and we could get a better understanding of the package and go from there.

**Director Kutzer:** The overall theme would be if 2272 goes through with those dollars that would make us whole in terms of secondary schools. But that would also put the 1.4 that Burgum had suggested, take that out of our budget savings in terms of the general fund. At the end of the day if that is the way we can end up.

**Senator Erbele:** If we went into that middle column and stuck 2.4 million in there and sent you over to the house, we would talk again in April? It's going to go that way any way. The final decision will come down around April 15<sup>th</sup>.

**Director Kutzer:** That would be the best case scenario that would make us whole.

**Senator Erbele:** I think that will be it for today. Closed the hearing.

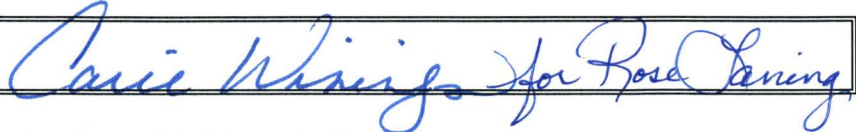
# 2017 SENATE STANDING COMMITTEE MINUTES

**Appropriations Committee**  
Harvest Room, State Capitol

SB 2019  
1/31/2017  
Job # 27642

- Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the state board for career and technical education.

## Minutes:

Testimony Attached # 1.

**Legislative Council:** Levi Kinnischtzke  
**OMB:** Becky Deichert

**Senator Erbele:** Called the sub-committee to order on SB 2019. **Senators Holmberg** and **Robinson** were also present.

**Mark Wagner, CTE office** (Came in Wayne Kutzer's absence)

**Levi Kinnischtzke, Legislative Council:** handed out Base Level Funding Changes – Testimony Attached # 1.

The column on the right is the difference between the first two columns and these are the changes from the executive budget. Ultimately, the committee will be making changes to the base level. The executive budget changes are recommendations by both governors but they did not change the base level, so in the middle column – the Senate version, is accepting some of those changes which will then change the base level. The third column is the change between the what the executive recommendations were and what the Senate is approving which will then affect the base level.

In referencing SB 2272, the bill appropriates \$2,477,000 for state aid grant funding. That bill will be tracked separately. If that bill goes forward, and being it is appropriated to Career and Technical Education, it will be added to their budget.

**(3:45) Chairman Holmberg:** Would it be cleaner if we put in this budget, the \$2,477,000, so it would be reflected in this bill? Our intention would be to take it out of the other bill and put that money in here. Wasn't it just a block grant?

**Senator Robinson:** That money is from Foundation Aid Stabilization fund? (yes)

**Chairman Holmberg:** It keeps our bottom line, general fund, the same. We'd still be under the Burgum budget by \$1.3 million.

**Levi Kinnischtzke:** That is correct. It is possible to put that amount into SB 2019 and then an amendment could be proposed for SB 2272. It's up to the committee on how they want to do that. You wouldn't necessarily have to pull every amount out and allocate it to each agency. You could potentially just pull out the current technical education portion. I cannot confirm that completely. There are a couple of different routes the committee could go.

**Senator Robinson:** I like that move to transfer those dollars. Will that result in CTE ending up with about an 85% budget? (Levi took some time to calculate what was being asked.)

**(7:50) Levi Kinnischtzke:** It appears that by including that amount, if you are looking at the 17'-19' base level, it would be a little bit less of a decrease in percentage. The CTE budget would not be cut quite as deep. The 15'-17' general fund appropriation was \$33.9 million and the total appropriation was \$43.6 million. By including the \$2.477 million from the Budget Stabilization Fund, the total appropriations for CTE would come out to \$42,378,797. Which would be a decrease of about \$1.2 million.

**Chairman Holmberg:** On the worksheet where would that show up?

**Senator Erbele:** With SB 2272 specifies that it's secondary, K-12. It doesn't go to full secondary.

**Chairman Holmberg:** No, we can't do that. So, it would be just under grants?

**Levi Kinnischtzke:** That is correct. The way that SB 2272 reads is that the money would be appropriated to CTE for grants to school districts. That would be secondary education, not post-secondary.

**Chairman Holmberg:** What would happen in the SB 2019 is that the grants line would change and go and be in other funds. The key is to go to the floor and indicating less money general fund than what was in.

**Senator Robinson:** It would be on the floor when?

**Senator Erbele:** Probably early next week.

**Chairman Holmberg:** We'd have time with the amendments being drawn up.

**Senator Erbele:** So you can bring that across to the grants line item? (Asked Levi)

**Mark Wagner:** Thanked the committee for their work.

**Levi Kinnischtzke:** Alan said to draw up the amendment and the committee could review it to make sure it is exactly what the subcommittee intends and then approve as a whole. If the sub-committee wishes, you could do it in the same meeting. You could make a motion today and also request the amendment if desired.

**Chairman Holmberg:** Larry will be gone next week and he seems to be comfortable.

**Senator Erbele:** So the motion will reflect that we are accepting the amendment of \$2.477 million to come to the grants line item.

**Senator Holmberg:** Moved to draw up the amendment.

**Senator Robinson:** Seconded the motion.

**A Roll Call Vote was taken: 3 yeas, 0 nays, 0 absent.**

**Motion Carried.**

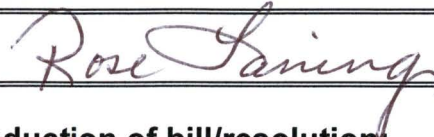
# 2017 SENATE STANDING COMMITTEE MINUTES

**Appropriations Committee**  
Harvest Room, State Capitol

SB 2019  
2/2/2017  
Job # 27779

- Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the state board for career and technical education.

## Minutes:

Testimony Attached # 1.

**Legislative Council: Alex Cronquist & Levi Kinnischtzke**  
**OMB: Becky Deichert**

**Chairman Holmberg** called the committee to order on SB 2019.

**Alex Cronquist & Levi Kinnischtzke** handed out Base Level Funding –Testimony Attached # 1

Levi explained the changes, saying the governor's recommendations are on the left side of the chart. Governor's Burgum's recommendations are listed in bold. The only items that Governor Burgum had recommended was to take away the 1% salary increase that Governor Dalrymple had proposed, the 5% employee portion of health insurance and Governor Burgum had also included \$1.4M funding for grants for state aid. The sub-committee for Career and Technical Education decided to not carry forward that \$1.4M from Gov. Burgum's recommendation. Instead they sub-committee decided to include \$2,477,000 from the Foundation Aid Stabilization Fund as a one-time funding from special funds. This amount was originally included in SB 2272 to be appropriated to the career and technical education. The thought is to remove that section from that bill and then carry it forward into SB 2019 which you have in front of you.

**Chairman Holmberg:** The \$1.4M of Burgum money came from general fund? (Answer – yes) And in sub-committee with SB 2272, we have visited with the sponsors of that bill and they are well aware that we are going to take that \$2.477M out of that bill when we hear it next week. We are taking the money out so it will not be double-dipped.

**Senator Erbele: Moved a Do Pass on amendments.**

**Senator Robinson: Seconded the motion.**

**Senator G. Lee:** The grants line item would change to \$2.4M and be from a different source than the general funds ?

**Chairman Holmberg:** It would be increased but the money would go only to elementary & secondary. It's just the school districts.

**Levi Kinnischtzke:** The total amount for all funds increase in the grants line item would \$1.3M.

The \$1.4M will not be included going forward so from the base level for the grants line item is \$31.2M. After the other reductions and including the \$2.477M increase from the Foundation Aid Stabilization Fund, the total in the grants line item will now be \$32.5M so that increase from the base level is \$1.3M.

**A Roll Call Vote was taken: 14 yeas, 0 nays, 0 absent.  
Amendment adopted.**

**Senator Robinson: Moved Do Pass as Amended.  
Senator Erbele: Seconded the motion.**

**A Roll Call Vote was taken: 14 yeas, 0 nays, 0 absent.  
Motion carried.  
Senator Erbele will carry the bill.**



OK  
2/3/17  
1 of 3

PROPOSED AMENDMENTS TO SENATE BILL NO. 2019

Page 1, replace lines 12 through 21 with:

"Salaries and wages	\$4,763,504	\$101,303	\$4,864,807
Operating expenses	1,267,340	(26,751)	1,240,589
Grants	31,240,290	1,302,566	32,542,856
Grants - postsecondary	661,113	(74,406)	586,707
Adult farm management	660,438	(80,616)	579,822
Workforce training	<u>2,803,500</u>	<u>(203,500)</u>	<u>2,600,000</u>
Total all funds	\$41,396,185	\$1,018,596	\$42,414,781
Less estimated income	<u>9,697,887</u>	<u>2,395,779</u>	<u>12,093,666</u>
Total general fund	\$31,698,298	(\$1,377,183)	\$30,321,115
Full-time equivalent positions	26.50	(1.00)	25.50

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fourth legislative assembly for the 2015-17 biennium and the 2017-19 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2015-17</u>	<u>2017-19</u>
School district and area center grants	\$0	\$2,477,000
Total special funds	\$0	\$2,477,000

The 2017-19 one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The department of career and technical education shall report to the appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2017, and ending June 30, 2019.

**SECTION 3. ESTIMATED INCOME - FOUNDATION AID STABILIZATION FUND.** The estimated income line item in section 1 of this Act includes \$2,477,000 from the foundation aid stabilization fund for providing grants to school districts and area centers."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2019 - Dept. of Career and Technical Education - Senate Action**

	<u>Base Budget</u>	<u>Senate Changes</u>	<u>Senate Version</u>
Salaries and wages	\$4,763,504	\$101,303	\$4,864,807
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Grants	31,240,290	1,302,566	32,542,856
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General fund	\$31,698,298	(\$1,377,183)	\$30,321,115

2/3/17  
2 of 3

FTE 26.50 (1.00) 25.50

**Department No. 270 - Dept. of Career and Technical Education - Detail of Senate Changes**

	Adjusts Funding for Base Payroll Changes <sup>1</sup>	Adds Funding for Health Insurance Increases <sup>2</sup>	Removes 1 FTE Position <sup>3</sup>	Adjusts Base Level Funding <sup>4</sup>	Adjusts Other State- Funded Grants <sup>5</sup>	Adjusts Postsecondary Grants <sup>6</sup>
Salaries and wages	(\$136,006)	\$68,691		\$168,618		
Operating expenses				(26,751)		
Grants					(1,174,434)	
Grants - Postsecondary						(74,406)
Adult farm management						
Workforce training						
<b>Total all funds</b>	<b>(\$136,006)</b>	<b>\$68,691</b>	<b>\$0</b>	<b>\$141,867</b>	<b>(\$1,174,434)</b>	<b>(\$74,406)</b>
Less estimated income	(81,221)	0	0	0	0	0
<b>General fund</b>	<b>(\$54,785)</b>	<b>\$68,691</b>	<b>\$0</b>	<b>\$141,867</b>	<b>(\$1,174,434)</b>	<b>(\$74,406)</b>
FTE	0.00	0.00	(1.00)	0.00	0.00	0.00

	Adjusts Adult Farm Management Grants <sup>7</sup>	Adjusts Workforce Training Grants <sup>8</sup>	Adds One- Time Funding for School District and Area Center Grants <sup>9</sup>	Total Senate Changes
Salaries and wages				\$101,303
Operating expenses				(26,751)
Grants			2,477,000	1,302,566
Grants - Postsecondary				(74,406)
Adult farm management	(80,616)			(80,616)
Workforce training		(203,500)		(203,500)
<b>Total all funds</b>	<b>(\$80,616)</b>	<b>(\$203,500)</b>	<b>\$2,477,000</b>	<b>\$1,018,596</b>
Less estimated income	0	0	2,477,000	2,395,779
<b>General fund</b>	<b>(\$80,616)</b>	<b>(\$203,500)</b>	<b>\$0</b>	<b>(\$1,377,183)</b>
FTE	0.00	0.00	0.00	(1.00)

<sup>1</sup> Funding is adjusted for cost-to-continue 2015-17 biennium salaries and benefit and other base payroll changes.

<sup>2</sup> Funding is added for increases in health insurance premiums from \$1,130 to \$1,249 per month.

<sup>3</sup> One FTE position is removed. As a result of the 2015-17 biennium budget reductions, the department removed funding of \$171,382 for this FTE position.

<sup>4</sup> Base level funding is adjusted as follows:

	General Fund
Salaries and wages - Restores funding from 2015-17 biennium budget reductions	\$168,618
Operating expenses	(26,751)
<b>Total</b>	<b>\$141,867</b>

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<sup>7</sup> Funding is reduced for the adult farm management program.

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<sup>9</sup> One-time funding is added from the foundation aid stabilization fund for school district and area center grants.

UW  
2/3/17  
3 of 3

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Sections 2 and 3 are added identifying that the appropriation includes \$2,477,000 of one-time funding from the foundation aid stabilization fund for grants to school districts and area centers.

Date: 1-31-2017  
Roll Call Vote #: 1

2017 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 2019

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: draw up amendment

- Recommendation:  Adopt Amendment  
 Do Pass     Do Not Pass     Without Committee Recommendation  
 As Amended     Rerefer to Appropriations  
 Place on Consent Calendar

Other Actions:  Reconsider     draw up amendment

Motion Made By Holmberg    Seconded By Robinson

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	y		Senator Mathern		
Vice Chair Krebsbach			Senator Grabinger		
Vice Chair Bowman			Senator Robinson	y	
Senator Erbele	y				
Senator Wanzek					
Senator Kilzer					
Senator Lee					
Senator Dever					
Senator Sorvaag					
Senator Oehlke					
Senator Hogue					

Total (Yes) 3    No 0

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

Date: 2-2-17  
 Roll Call Vote #: 1

**2017 SENATE STANDING COMMITTEE  
 ROLL CALL VOTES  
 BILL/RESOLUTION NO. 2019**

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: 17.0527.01001 amendment

Recommendation:  Adopt Amendment  
 Do Pass     Do Not Pass     Without Committee Recommendation  
 As Amended     Rerefer to Appropriations  
 Place on Consent Calendar  
 Other Actions:  Reconsider     \_\_\_\_\_

Motion Made By Erbele Seconded By Robinson

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Mathern	✓	
Vice Chair Krebsbach	✓		Senator Grabinger	✓	
Vice Chair Bowman	✓		Senator Robinson	✓	
Senator Erbele	✓				
Senator Wanzek	✓				
Senator Kilzer	✓				
Senator Lee	✓				
Senator Dever	✓				
Senator Sorvaag	✓				
Senator Oehlke	✓				
Senator Hogue	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

Date: 2-2-17  
 Roll Call Vote #: 2

**2017 SENATE STANDING COMMITTEE  
 ROLL CALL VOTES  
 BILL/RESOLUTION NO. 2019**

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: \_\_\_\_\_

- Recommendation:  Adopt Amendment  
 Do Pass     Do Not Pass     Without Committee Recommendation  
 As Amended     Rerefer to Appropriations  
 Place on Consent Calendar  
 Other Actions:  Reconsider     \_\_\_\_\_

Motion Made By Robinson    Seconded By Erbele

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Mathern	✓	
Vice Chair Krebsbach	✓		Senator Grabinger	✓	
Vice Chair Bowman	✓		Senator Robinson	✓	
Senator Erbele	✓				
Senator Wanzek	✓				
Senator Kilzer	✓				
Senator Lee	✓				
Senator Dever	✓				
Senator Sorvaag	✓				
Senator Oehlke	✓				
Senator Hogue	✓				

Total (Yes) 14    No 0

Absent 0

Floor Assignment Erbele

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**SB 2019: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2019 was placed on the Sixth order on the calendar.

Page 1, replace lines 12 through 21 with:

"Salaries and wages	\$4,763,504	\$101,303	\$4,864,807
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Renumber accordingly

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**Department No. 270 - Dept. of Career and Technical Education - Detail of Senate**

**Changes**

	Adjusts Funding for Base Payroll Changes <sup>1</sup>	Adds Funding for Health Insurance Increases <sup>2</sup>	Removes 1 FTE Position <sup>3</sup>	Adjusts Base Level Funding <sup>4</sup>	Adjusts Other State- Funded Grants <sup>5</sup>	Adjusts Postsecondary Grants <sup>6</sup>
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Sections 2 and 3 are added identifying that the appropriation includes \$2,477,000 of one-time funding from the foundation aid stabilization fund for grants to school districts and area centers.

**2017 HOUSE APPROPRIATIONS**

**SB 2019**

# 2017 HOUSE STANDING COMMITTEE MINUTES

## Appropriations Committee - Education and Environment Division Roughrider Room, State Capitol

SB 2019  
3/3/2017  
28696

- Subcommittee  
 Conference Committee

*Virginia L. Mock*

### Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the state board for career and technical education.

### Minutes:

Attachments 1-16

**Chairman Monson:** Called the committee to order on SB 2019, Career and Technical Education.

**1:50-56:15 Wayne Kutzer Director of Department of Career and Technical Education:**  
(attachment 1)

**3:30** (page 24 of attachment 1) Percentage of North Dakota Jobs by Education Level

**Rep Schatz:** 6:10 What kinds of jobs fall have no formal education credentials?

**Mr. Kutzer:** Yes, definition they use from high school, truck drivers, carpenter, a lot of apprentice type jobs would fall under that. A lot of retail jobs.

**7:05 ND State Board** (page 25 of attachment 1)

**7:45 Career & Technology Center** (page 27 of attachment)

**14:10 Rep Schatz:** On page 17 (slide 9) It says 22 million goes to the secondary grades 9-12, how does that go to them? Is it in the form of salaries for teachers, is it a supplement? What does it do?

**Mr. Kutzer:** All of our funding is on a reimbursement basis, so any of these programs, if there's an instructor in your school that falls under any of these areas, we provide a percent reimbursement.

**Rep Schatz:** Is that added on to the salaries of that, ag instructor, for example?

**Mr. Kutzer:** We reimburse the school a percentage of the planned salary. It is to encourage schools to offer more of these classes and a lot of times they are costlier to operate. There's small classes, a lot of time there's labs and that sort of thing. Many of the ag instructors are 10 or 11 month, that's a local school decision.

**16:40 Rep Schmidt:** How do you know you are getting your money's worth from this program. So you monitor these kids when they go out from this program. What are your performance standards?

**Mr. Kutzer:** We require they give us solid information of what their budgets are, we require annual plans and that's what we base our reimbursement on. There are evaluations by our staff. The federal government also has standards, everything from academic to technical success to how many graduate from high school.

**23:20 Rep Sanford:** On the Distance Delivered (page 20 of attachment 1) Is there interaction with the center for distance education? What is the potential for them going forward?

**Mr. Kutzer:** They do some career tech classes, but these classes originate in one school and then go to another. It's more difficult in career and technical education because of the types of courses that we deliver. Especially when working with ITV. (page 29-35 of attachment 1) The first two pages are the ITV courses and the second last pages are the online courses that are offered.

**25:50 Chairman Monson:** How do you deliver a welding class by ITV? Do they have actual welders or virtual welder?

**Mr. Kutzer:** The teacher is in North Valley (Grafton) they teach it to Walhalla, and so they take cameras and monitors and put them in the lab, and they are two ways interactive. Some schools may have an aid in the room. They have actual welders but there is also a virtual welder that they pass around so they are able to try other proses.

**Rep Schmidt:** Did all of the 1013 students complete that course 2016, did they get jobs?

**Mr. Kutzer:** Someone that takes 2 or more courses is a concentrator. Those who graduate from high school are completers because some of these kids may be juniors or even sophomores.

**29:15 Rep Sanford:** Sometimes there can be territorial issues with foundation aid and funding, how do you figure that out?

**Mr. Kutzer:** We talked about a 4% incentive, (Page 19 attachment 1) When we provide extra funding to the school that sends that course that. Welding for example; North Valley does it, they get 40% reimbursement because they an area center and every school that they deliver that welding class to, we give them and additional 4%. For us it's a great investment because there may 4 kids in Walhalla that would have never gotten this opportunity.

**33:25 Vice Chairman Streyle:** What's your plan in the line item for Farm Management (page 21 of attachment 1) Are you eliminating sites?

**Mr. Kutzer:** We don't actually have sites; we provide 64% reimbursement if a school or institution wants to have Adult Farm Management Program. With the first allotment we went down to 62%, we were intending to go to 59% but we are now looking at a 56% reimbursement rate.

**Chairman Monson:** So those are exclusively grants that you would give out to two year colleges?

**Mr. Kutzer:** Carrington, Glen Ullin and Jamestown, those are the only secondary schools that have a program, the rest have migrated to the two year campuses.

**Vice Chairman Streyle:** Have you heard of any that are closing due to the allotment and reduction of funds?

**Mr. Kutzer:** Just this week I heard that Jamestown and out of Oaks, will be discontinuing their program because it doesn't cash flow anymore.

**Chairman Monson:** There are options out there to pick up the funding, maybe CHS, or an elevator or the farmers?

**Rep Sanford:** How much is the tuition?

**Mr. Kutzer:** Absolutely, the tuition can come from anybody. There are farmers there because of FSA. The farmer's share is \$600-\$1000 a year.

**39:30 Yellow sheet** (page 36 of attachment 1) Effects of the budget reduction.

**Rep Sanford:** Train ND program; what is the experience with the slow down out west?

We have seen a slowdown and have significantly cut the number of people that do our training. Plus, we've taken the 6.55% cut that everyone else did. We've been able to manage.

**41:35 Rep Streyle:** (page 36 of attachment 1) That's the 3-million-dollar pool? The workforce training. Isn't it in LAW that you have to be part of desktop support, how did you cut that?

**Mr. Kutzer:** We were told that anything and everything was available or cutting and reducing, we are delaying it.

**45:25 Governor's 90% Request** (page 37 of attachment 1)

**Chairman Monson:** Schaible's Bill 2272, that backfills you?

**Mr. Kutzer:** SB 2272 it was just the 2.4 million from the Foundation Aid Stabilization Fund

**Levi Kinnischtzke Legislative Council:** The amount that was in 2272 was taken out and it was put into this bill.

**Rep Martinson:** How much money was in 2272 and how much was switched to 2019 and does that make you whole?

**Levi Kinnischtzke Legislative Council:** SB 2272 had 2.4 million in it for the career and technical education, that bill had other amount for other agencies as well, that same exact amount has been taken out of SB 2272 and is now in SB 2019.

**Mr. Kutzer:** That makes us whole on the K-12 side. It didn't affect the workforce training, adult farm management or post-secondary grants.

**50:50 Mr. Kutzer** (page 38 of attachment 1)

**56:55-1:04:10 Alfred Schwalbe President of North Dakota FFA:** (attachment 2)

**1:05:40-1:26 Don Schilling Chairman of General Equipment and Supply Inc.**  
(attachment 3)

**1:11:25 Rep Sanford:** What kind of contract do you have with a student out of high school or tuitions to be paid?

**Mr. Schilling:** They are required to take the 2-year course, we encourage them to go to ours at NDSCS, they have to take out a loan for the two-year process. There's a combination of co-op studies, or work, at the dealerships and going to school, they are getting 16-18 weeks of work experience. We pay back up to 100% of their tuition depending on the GPA, at the rate of 1.36% for every month that they work for us.

**Rep Martinson:** What about the other 40% that don't have an industry sponsor and do you sponsor kids that would go to other schools?

**Mr. Schilling:** We have had opportunity to out of other schools but we are committed to fill a certain number of chairs at NDSCS so we fill those first. We do hire and reimburse those that come from other schools as well. When I say 60% of the NDSCS students have industry sponsors, they majority of those are tied in with a manufacturing group but there is a certain number of students that have found a dealer or a sponsor on their own.

**Chairman Monson:** And they are guaranteed a job when they finish school?

**Rep Sanford:** There has been a significant growth in distance education, 52% of the students in the two-years schools are totally online. When you look at enrollment numbers, given the nature of your agreement do you see a great involvement online?

**Mr. Schilling:** Once a student graduates and comes to work for us some of the training is online but most of it is hands on. There's millions of dollars' worth the equipment donated to NDSCS, so that is really were they are needed for the hands on training.

**Rep Boe:** I understand that the students sign a contract with the company that is their sponsor?

**Mr. Schilling:** We reimburse their student loans after they come to work for us.

**Rep Matinson:** Maybe you could visit with some other industry people and give us some specifics on how we can help, we would listen to them.

**1:26:10-1:28:05 Deana Weise Executive Director ND Information Technology Council:** (attachment 4)

**1:29:00-1:32:15 Joe Schreiner, Train North Dakota:** (attachment 5)

**1:32:30-1:37:30 Shannon Duerr Cavalier County JDA** (attachment 6) Testified on how CTE helps get trained EMT and ambulance people for them. Otherwise they would have a shortage.

**1:37:55-1:41:00 Reeve Southam Director of Talent Management and Training for Bobcat** (attachment 7)

**1:41:20-1:45:30 Uma Hoffmann, Steffes LLC in Dickinson:** (Attachment 8) A metal Manufacturing Business Testified on the difference it makes to have Train ND and how heavily they rely on them to enable.

**1:45:45-1:48:20 Roger Zettica Farmer from Stirum, ND:** Get a degree in mechanized agriculture production option. Testified on how the farm management program helped him make it through the tough years. We are again having struggles with low prices we need this program because without farm management the struggles are only worse.

**1:45:25-1:51:00 Jason Top, 4<sup>th</sup> generation farmer from Carrington:** Testified in favor of the adult farm management Program. Lending partners and banks have a lot of in the paperwork from them that would be cost prohibitive to get elsewhere.

**1:51:25-1:52:40 Elroy Burkle Executive Director of Small Organized Schools:** Encourage a Do Pass on SB 2019. He is a former Ag teacher. This will help ALL schools, not just small schools.

**Kayla Pulvermacher ND Farmer's Union:** (attachment 9)

**Dan Rood, SE Career Technical Center in Wahpeton:** To talk about the return on investment of this program; state wide average for this scholarship retention is about 20%, for students that come from ND CTE schools it's about 30%. That's almost 50% higher than the state average.

**Chairman Monson:** Further discussion?

Testimony from a number of people that didn't get a chance to testify:  
(Attachment 10 - Brent Bogar, Greater ND Chamber, Attachment 11 - Jim Albrecht, Training coordinator for ComDel Innovation, Attachment 12 – Reese Boehm, Great River Energy, Attachment 13 – Karissa Olson, Eventide Heartland Long Term Care Administrator, Attachment 14 – Maggie Suda Developer Pembina County Job Development Authority,

Attachment 15 – Eric Kuhn Patrol agent in charge of U.S. Customs and Border Protection,  
Attachment 16 – Daryl Hovland Human Resource Director for city of Grand Forks.



# 2017 HOUSE STANDING COMMITTEE MINUTES

## Appropriations Committee - Education and Environment Division Roughrider Room, State Capitol

SB 2019  
3/20/2017  
29438

- Subcommittee  
 Conference Committee

*Virginia L Moch*

### Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the state board for career and technical education.

### Minutes:

1 + 2

**Chairman Monson:** called the meeting to order on SB 2019. Representative Sanford will be here in just a minute. We will talk about this all day, this morning and when we come back from the floor this afternoon. Levi is handing out our worksheet (attachment 1) 5:00- The big thing I saw on the senate version was the Measure 2 money. There was \$2,477,000 in the Measure 2 bill, Schaible's bill, to keep CTE whole, at least as far as the K-12 end of it. Now it is not in there at all. It's all moved into this one.

**Levi Kinnischtzke LC:** It does keep CTE whole as far as their Carl Perkins federal grant dollars. There was a question if their maintenance of effort would be sufficient for those funds if the budget were to be cut. They and the senate did believe that this would make them whole. Governor Burgum did recommend \$1.4 million of general fund dollars be added to make them whole but the senate didn't go along with that because it was general fund dollars.

**Chairman Monson:** So the choice was between Measure 2 money or general fund. The money from Measure 2 I look at as for K-12. CTE does have both higher ed and K-12 in it. Will this money be shared with higher ed?

**Wayne Kutzer Director Career and Technical Ed:** The 2,477,000 that the senate put in is totally for K-12. Measure 2 was meant for k-12 as well as 2272. The \$2.4 was in 2272 and the senate moved it into CTE. We had a maintenance of effort issue of \$1.4 which Governor Burgum put into our budget, but that was mute when we got the money from measure 2.

**Chairman Monson:** That is about a million more than you needed to meet your maintenance, wasn't it?

**Director Kutzer:** Yes, but it was not at a level that would keep K-12 whole.

**Chairman Monson:** So with the money the senate put in, there is no enhancements? It is all needed to keep CTE whole?

**Director Kutzer:** With inflation, the way we fund on a reimbursement basis, we still will go back a little.

**Chairman Monson:** I see the senate removed one FTE position, but they added \$168,618 in the salary and wages line. How did it that come about?

**Director Kutzer:** In our 10% allotment we used some dollars from not filled positions. Yes, vacancies, but because those will be filled that money was added back in to make those salaries whole.

**Chairman Monson:** So you have vacancies now and the money to fill them?

**Director Kutzer:** We have 3. Two have been vacant for about 3 months. One has been vacant for about a year. We hire a lot of teachers so we try to hire in March when teachers are signing contracts otherwise they are very hard to fill.

**Chairman Monson:** So which position did the senate take?

**Director Kutzer:** That was a STEM position. We combined a couple of lower positions to make the one STEM position. We were in the process of filling it when the allotments came around, so that was the one we gave up.

**Chairman Monson:** So the senate took that out but put all that money back and more. So you've been rolling up funds from the vacant positions. They put money in over and above the roll up money you saved.

**Levi Kinnischtzke:** To clarify that, \$168,000 is adding back the allotment from the two governor's allotments, because they started at different times so the \$340,000 that CTE was reduced had to have the \$168,000 added back to get to the base budget then reduced it by the one FTE. 14:53

**Chairman Monson:** We've been blitzed by emails about how we have to put the Adult Farm Management funds back in or the program is going to die. The senate did not put them in.

**Vice Chairman Streyle:** If we could get back to 50 Or 60% I think that would be reasonable, between 40 and \$50,000. Sometime I think it's time to cut the umbilical cord.

**Rep Boe:** I think we need a little money in there for the new ones, but it wasn't meant to be a 20-year course.

**Levi Kinnischtzke:** \$579,822.

**Chairman Monson:** How many adult farm management programs are in the state?

**Director Kutzer:** There are 12.

**Chairman Monson:** If we put \$50,000 back in you'd be at 10%.

**Representative Mike Schatz:** So is part of that money going to Dickinson's farm program?

**Director Kutzer:** No. The closest one to Dickinson is in Glen Ullin. Most are housed at a campus. They don't work within the campus. Two are in high schools.

**Chairman Monson:** How do these employees get paid?

**Director Kutzer :** They are employees of higher ed. They are paid by higher ed.

**Chairman Monson:** You cover 60%, Where does the rest come from?

**Director Kutzer:** From the tuition which is %40 or \$600.

**Chairman Monson:** So the cost is \$1500 per person.

**Representative Mark Sanford:** Is there higher ed credit for it and secondly is it part of the instructor's course load?

**Director Kutzer:** There is no credit. And the instructors are not part of the campus.

**Representative Mark Sanford:** Does the campus select someone to do this?

**Director Kutzer:** Yes, the campus would hire somebody, typically someone in ag.

**Chairman Monson:** So Vice Chairman Streyle, you think it is important to fund these for lending purposes to stay afloat.

**Vice Chairman Streyle:** I see the benefit to it because you better books and cleaner operations.

**Representative Boe:** Let's separate the issues. It is a great program, but how much should we subsidize it.

**Chairman Monson:** 27:55 Levi, put it on the list for \$50,000. School district and area center grants: you fund area centers at higher levels than school districts, correct?

**Director Kutzer:** Correct. Currently it is at 39%. At a high school we pay for the teacher's salary. The Carl Perkins dollars are allocated to the schools and we don't have control over how they are spent. The big areas they spend it on is equipment or special ed. If a career or tech ed student is having trouble in school, we can provide funding to set up a room to help them.

**Representative Mark Sanford:** 31:10 The program Strengthening the Senior year: I see you have a footprint in a lot of areas. We seem to have a lot of initiatives that work with one another. You have the area centers, if the program Strengthening the Senior Year were statewide and were your program, how would you do this if we started fresh? There is a significant growth in virtual education. I think we are building a lot of bricks and mortar, maybe to do centers, and I am wondering if there isn't a better way to do this given half of the students in 2 year colleges never step foot on campus.

**They Director Kutzer:** We started with 5 area centers that are brick and mortar and since then we added 5 more that are all virtual, no buildings. This added nothing that wasn't already there. They required some equipment that schools were able to move to another school for another career tech program. We are fully invested in distance delivery. We have a full-fledged welding program that comes out of Grafton's North Valley Career Tech Center. They are doing the same thing with auto tech. They use the same assessment as if they were face to face. The instructor is in his own classroom. If a student is interested in the health field and their school doesn't offer anything in that field, we can provide Health Sciences in the interactive system. The remote schools can learn how to do injections or cpr the same as if they were face to face.

**Representative Mark Sanford:** Years ago we offered classes at Minot and students had a designated time to come in from surrounding areas but then transportation could be a problem and it created problems with scheduling the school day. I like what you are talking about that is virtual. What elevates an experience like this to dual credit?

**Director Kutzer:** It is the partnering with the campus that generates the dual credit. The challenge is that most of our 2 year campuses are small. If they offer a course and the student already has it because he had it in a high school that offered it and they don't have anything else to offer, we can't tell him to go away or start him as a sophomore. We haven't been able to bridge the gap so the student doesn't lose time if he already had what they offer.

**Representative Mark Sanford:** These are really good programs but we have a higher ed issue and an access issue: giving everyone in ND the same access. I'm hearing you say "We can do this if we use our dollars effectively".

**Director Kutzer:** The regional factor plays very well into school districts. That's why the area center concept has worked so well.

**Representative Mark Sanford:** Teacher shortage is also an issue. We need to think more long range.

**Director Kutzer:** One of the benefits is if you are a school that doesn't have enough students to fill a program you can put it on the interactive system and still keep your programs. You are able to maintain your program as well as help other schools.

**Representative Mark Sanford:** 47:48 One of the pieces to this is the capacity of higher ed to participate more fully and look at relationships within the state, dual credits could be a possibility.

**Director Kutzer:** Once we get the dual credit worked out with secondary schools, we hope they get a scenario that will work across the state.

**Representative Mark Sanford:** Would relationships with out of state institutions make some sense. There has to be a way that we can use the resources that are there so it gets to all corners with equal access. We will never get access if we put our money into buildings.

**Chairman Monson:** You said you have 5 area centers and 5 virtual centers. Do you have a list of the centers and what they offer?

**Director Kutzer:** It was the second handout from last time (on 3-3-2017) that had the list of area centers on it.

**Chairman Monson:** We have to find a way to do more virtual so we can stop building all these buildings. You had a virtual welding machine upstairs one day. It was unbelievable. They do actually have a welding machine, don't they?

**Director Kutzer:** North Valley has a virtual welder that they pass to other places. There are a number of virtual welders out there.

**Chairman Monson:** What is our capacity with the money we've got to set up more shop type settings within our system? We could serve a whole lot more if we had a virtual welder set up in an IT room.

**Director Kutzer:** That \$150,000 that the legislature set up for us to deliver a pilot program set up 4 schools to get a welding program. You don't have to have an aid in those classrooms. The instructor there has never had a discipline problem in those rooms. If they move out of the camera range they are out of the program. A lot of schools have developed their room to this. In Park River the welding students are in the ag room and their ag instructor is there, but teaching the ag class. The virtual welders save in that you aren't burning rod all the time, but they are expensive. They cost about \$45,000 apiece.

**Chairman Monson:** 58:28 That is an inexpensive way to set up shops and you reach clear out to Crosby. Where does Valley/Edinburgh sit in this now. Do they physically transport?

**Director Kutzer:** They physically transport but they do have the auto tech online.

**Chairman Monson:** Is it a possibility to cross borders? Is there any reason that, say, someone in Rolla couldn't take a dual credit course from Moorhead Tech?

**Director Kutzer:** We'd rather see a person in Rolla that was certifiable as a welding instructor set up in that school. Delivery can be shared anywhere in the world.

**Chairman Monson:** We have trouble finding qualified teachers in all fields. I ended up voting against my own bill earlier in the session. I asked if you could find any solutions on how we can offer enough classes in the smaller class B schools to qualify for the scholarship requirements we have for CTE?

**Director Kutzer:** There is a limit on the number of courses that fit into the credits to qualify for the scholarship. It's not a problem with what is offered as much as it is fitting the classes the student wants or needs in the time frame.

**Chairman Monson:** There is only so much virtual credit you can get so the problem is the students have to make a choice. If they had a chance to take more online, it wouldn't be a problem.

**Director Kutzer:** It depends on the school administration. If the school would allow them to take it at zero hour or on the weekend it would help.

**Chairman Monson:** If a room were set up just for the IT subject it would solve the problem if one were set up for tech ed and one for academic. So you are saying you set up some of these schools with a pilot program and you still have money left. Could we set up more schools if we could find the funds?

**Director Kutzer:** 1:09:00 the price has come down on setting up an IT room, it is about \$20,000 now The challenge is finding qualified teachers to teach it and having schools apply for this. Some don't have the room.

**Chairman Monson:** 1:12:00 We have a career and tech center at BSC. Is that all virtual?

**Director Kutzer:** The science center at BSC is not connected with a career and tech center but you do have a virtual Career and Technical school in the Bismarck-Mandan area: The Missouri River Area Career and Technology Center. They have 24 member schools in the area. They are the largest supplier of virtual programs in the state. They still have room to grow.

**Chairman Monson:** 1:14:00 I see people in the audience from Workforce. Do you offer virtual training in Williston?

**Danette Pisek Director of NW Region Workforce Training:** Yes, we have our certified nursing program online. They take part of the class online and come in to do the skills classes. We have a site in Crosby where we do the hands on and the testing. We are in the development process of our two-week CRANE program. We put the first week online and the second week they would come to Williston for hands on learning. Those are the only 2 classes that we put on line. The CNA program is a dual credit course offered at high school. The college collects the dual credit fee. In Williston EMT course is delivered by tech ed.

**Director Kutzer:** At the secondary level EMT courses are delivered by health science instructors.

**Chairman Monson:** Those EMT people don't get dual credit.

**Director Kutzer :** In your gold handout from SB 2019 on 3-3-2017 there is a list of all the ITV courses and where they are coming from and where they are delivered to, the course and how many students are enrolled in it.

**Chairman Monson:** My goal is to find out how we take care of the CTE instructor shortage and if there is room in some of these to offer dual credits.

**Director Kutzer:** We offer a 4% incentive to the providing school for each school that they deliver that program to. If they also deliver any additional programs, they get an additional 4% for each.

**Chairman Monson:** We will take a break until 10:30.  
1:21:52

**Chairman Monson:** called the EE section back to order. Representative Jim Schmidt brought up where CTE fits into education, 7<sup>th</sup> grade through 12 is the biggest chunk with some pass through to secondary and some in Workforce. There is nothing below grade 7, is there?

**Director Kutzer:** Yes, there is. Marketplace for Kids is 5<sup>th</sup> grade, or typically for 4<sup>th</sup> through 8<sup>th</sup>. Marketplace has 10 events across the state. There is approximately \$250,000 or \$300,000 in there for that.

**Representative Jim Schmidt:** I'm just trying to figure out how all these different programs fit into the educational department. You have CTE, you've got Commerce, area centers, pass through grants, DPI, Dept. of Ag, Dual credits and ITD. When you have pass through grants, do you take any cost out for administration?

**Director Kutzer:** On the federal funds, 85% are pass through. We use 15% for administration. It is under special funds.

**Representative Jim Schmidt:** Are those federal grants a match or a flat rate?

**Director Kutzer:** It's not on a match because we are a minimally funded state, so we receive a flat amount, but we do have maintenance of effort.

**Representative Mike Schatz:** I'm surprised that you have Market Place for Kids. That program is also in the Ag department, in Commerce, and I'm not sure who else might have one. It doesn't seem like CTE is the place for that. How did you get into that?

**Director Kutzer:** Three or four sessions ago it was legislatively put into our budget. It is a pass through of federal funds. We don't have anything else to do for it.

**Chairman Monson:** If we took the money out, you wouldn't have any heartburn?

**Director Kutzer:** It is a valuable program. This is entrepreneur training and creativity.

**Chairman Monson:** Levi, put this on our list for discussion.

**Representative Jim Schmidt:** Do you take administrative costs out for that?

**Director Kutzer:** NO. The only place we take admin costs is on federal grants.

**Chairman Monson:** 1:32:00 During the break I found out that Bismarck has the Career Technical building on the BSC campus, that belongs to this bill. They are not regional. They coordinate the Bismarck schools.

**Director Kutzer:** Representative Streyle asked about the post-secondary grants line item. I forgot to mention the stem innovation grant and the stem matching grant. He passes out (attachment 2) 1:35:20-

**Chairman Monson:** The last 2 biennia we had stem grants. Have they all been eliminated now? That was put in our budget and is in our grants line. It was kept whole by \$2.4 million from Measure 2 money.

**Director Kutzer:** Other than the two mentioned there is one for the stem network which is \$100,000 for putting on a state wide conference. It started at \$300,000. Marketplace is in there and that's how it is kept whole.

**Vice Chairman Streyle:** What instructors are getting trained there?

**Director Kutzer:** Whenever a 2 year technical Ed instructor is hired out of industry they go through a year of mentorship and training. At the college level there are no mentor dollars, only pay for instructors.

**Vice Chairman Streyle:** I think all of these could be reduced and some substantially.

**Chairman Monson:** I see the STEM matching grants on your budget reduction. It shows \$150,000 was the original amount and it is reduced to \$124,500. \$15,000 stem grant for K-12 with match from industry. It is on your post-secondary line.

**Director Kutzer:** It is all secondary, I don't know why it ended up on the post-secondary line.

**Chairman Monson:** I think we could move it to secondary. It would be easier to keep it whole there.

**Vice Chairman Streyle:** I don't mind the matching grants. Instructor training, I see the need but it's not a priority. Do we have a shortage of STEM workers in ND? Do we really know the stem programs work and where is the data to prove it?

**Chairman Monson:** I don't know if the stem grants help with the teacher shortage. What do these schools do with the matching grants?

**Director Kutzer:** 1:41:40 Those are programs that require them to incorporate STEM programs into their existing classrooms.

**Chairman Monson:** Where does the stem curriculum come from?



**Director Kutzer:** It's the local school's decision where they get it from. Alexander has incorporated the Project Lead the Way. The oil field companies believe strongly that Lead the Way has an impact. It's a one-shot to get the program in and designed to be sustainable. The dollars and the match are seed money to get it started.

**Chairman Monson:** PLTW?

**Director Kutzer:** Project Lead the Way is a national company with their own curriculum and instructor training. They have to show that they received the match 1 to 1 or we reduce the grant.

**Chairman Monson:** Levi make a note to move that from the post-secondary grants line into the K 12 grant line. It's been reduced from \$787,000 to \$586,000. The first part of the session we asked all agencies including the administration of DPI to reduce their general fund salaries and wages line by 7%. Our last revenue forecast showed that that was still not enough.

**Director Kutzer:** Approximately 75-80%.

**Levi Kinnischtzke:** Of the \$4.8 million in Dalrymple's budget about \$4.3 was general fund. The remaining \$600,000 is federal.

**Chairman Monson:** What portion was cut out by the senate?

**Levi Kinnischtzke:** The senate didn't make any cuts to salaries and wages outside of not going forward with the 5% on health insurance.

**Chairman Monson:** Put the \$280,000 from general fund of the salaries and wages line on our list.

**Director Kutzer:** That may be a challenge with our maintenance of effort.

**Vice Chairman Streyle:** If we can wait until tomorrow for job service I might have a good plan for all three of the buildings.

**Rep Sanford:** I have a question on the status of the Workforce Training Initiative.

**Director Kutzer:** It was about what we need to look at for future job skills. It was about 4 primary industries: energy, health, manufacturing, and another one and what skills they need in their job force.

**Rep Sanford:** Was that the report by Dr. Skogan at Bismarck State?

**Director Kutzer:** No this one was with the Hess Corp. as part of the group. They funded FHI 360 to do the report. I'll email you a copy,

**Chairman Monson:** I think we may end up with a study on how we can get away from building more brick and mortar and go with the virtual programs. If we can get the REAs and area

centers coordinating and trying to consolidate we could make our dollars go a lot farther. There is not time to get a real solid plan together.

**Director Kutzer:** The REAs and Area Centers have two different roles. The Area centers concentrate on providing Career and Tech ed programs out to school and provide some career guidance with a career counselor. The REAs provide a lot of services, teacher mentoring etc. They are more of a support service while the Area Centers provide a program.

**Chairman Monson:** Levi, put that down as a topic: a way to enhance CTE without building more buildings. We won't be able to go on this all afternoon. We didn't find much and the senate didn't take much out either. You are fortunate to be able to use some of the Measure 2 money. Your main mission is 7<sup>th</sup> through 12<sup>th</sup>.

**Vice Chairman Streyle:** Then why isn't this a division of DPI?

**Director Kutzer:** Career Tech has always been a separate agency. The advantage we provide to schools is that we specialize in all of the skilled areas and ag.

**Chairman Monson:** So DPI is more dealing with the academics and you do more with the technical job skills starting at 7<sup>th</sup> grade.

**Director Kutzer:** We are very responsive to the need the schools have with quality programs.

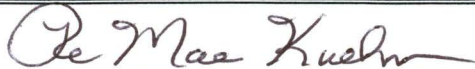
**Chairman Monson:** This ends our discussion on CTE for the day. We return 15 minutes after the floor session.

# 2017 HOUSE STANDING COMMITTEE MINUTES

## Appropriations Committee – Education and Environment Division Roughrider Room, State Capitol

SB 2019  
3/27/2017  
Job #29697

- Subcommittee  
 Conference Committee



### Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the state board for career and technical education.

### Minutes:

Attachments 1 & 2

**Chairman Monson:** Called the meeting to order on Career and Technology SB2019.

**Levi Kinnischtzke, Legislative Council:** (Attachment 1) 1:00-3:06

Changes are in green.

--Health Insurance increase

--Adult Farm Management grants increased by \$50,000.

--Reduce one FTE position which is currently vacant--reduces by \$157,200.

--Eliminate funding for Marketplace for Kids at \$250,000 reduction and \$50,000 reduction in the one-time funding.

**Vice Chairman Streyle:** What is total for Workforce Training in this bill?

**Chairman Monson:** The Senate reduced that to \$2,600,000. We haven't done anything more with it.

**Vice Chairman Streyle:** How many centers do they have?

**Chairman Monson:** Four.

In the Job Service budget, we took out Workforce 2020.

We added \$50,000 to adult farm management classes. I'm not so sure that is necessary.

**Rep Sanford:** If I was making a choice we could use that money in Marketplace for Kids.

**Chairman Monson:** I agree with you. When I look over the list of students and schools, it hits a large number. (Attachment 2) They do projects similar to science fair for entrepreneurship.

**Rep Schatz:** The numbers are so different, for instance Wahpeton 800 and Fargo 250.

**Chairman Monson:** Reads a list of schools under Fargo. Very few of these are actually in Fargo. There are a few good sized smaller schools as well as some Minnesota schools. Why do we have Minnesota schools included?

**Wayne Kutzer, Director of CTE:** If it is held on the border like Wahpeton or Fargo, it is open to schools in the surrounding area. The one on the Microsoft Campus in Fargo is limited to 200 students making it smaller than some of the other ones.

**Chairman Monson:** These are the ones that actually put together an exhibit or project. It is impressive. I can think of areas to cut rather than this one. Do you want to put it back in?

**Rep Streyle:** I agree. Then I think we should cut the Workforce grants either down to \$1.8 million or \$2 million as well.

(13:00)

**Chairman Monson:** Are you saying to leave the Farm Management the way the Senate had it? Workforce Training goes down to \$2 million. Then put the Marketplace for Kids back in with the whole \$300,000. Do you want to put it all in as one time? We would discuss it again next time.

**Rep Schatz:** Is there overlap between this and DPI?

**Director Wayne Kutzer:** There is nothing that I know of in DPI. Marketplace for Kids applies for a grant through Commerce. They get the rest of their funds through grants and organizations within the community. We don't run the program. We are just a pass through for Marketplace for Kids. We do monitor their schedule and projects with students.

**Chairman Monson:** Has the number of events and students attending been growing?

**Director Wayne Kutzer:** The attendance has been stable over the 8 to 10 years that we've funded it.

**Chairman Monson:** I would just as soon fund it through Career and Technical Education. We still have Commerce to work on. I was looking at the amendment from Commerce and I think we can take more out of there. CTE has been keeping tabs on Marketplace for Kids. Let's put in \$300,000 back in a one time.

**Chairman Monson:** We could do \$2 million for the 4 colleges with the Workforce Training grants. We seem to have overlap.

**Director Wayne Kutzer:** The Workforce Training dollars are proportioned out to each of the regions based on the number of employees in that region.

**Chairman Monson:** We would take \$600,000 out from what the Senate had. That would take it from \$2.6 million down to \$2 million. What do the salaries and wages come to?

**Levi Kinnischtzke:** \$290,000. Currently they have one vacant FTE.

**Vice Chairman Streyle:** We are at about \$2 million in general fund now with the addition of the \$300,000. Why don't we take that down to \$1.6 or \$1.8 million for conference on the workforce? That will get us where general funds and other funds match.

**Levi Kinnischtzke:** With all the changes and a \$600,000 decrease for Workforce training, that would be \$2.1 million reduction from the general fund base for a total general fund dollar of \$29.5 million.

**Vice Chairman Streyle:** We need about \$300,000 more. Should we do 1.4 or 1.6?

**Chairman Monson:** I am alright with that. We will look at other budgets that have Workforce training in them.

**Vice Chairman Streyle:** I think it looks good now. I don't see a lot of extra.

**Vice Chairman Streyle:** Moved to amend SB 2019 with changes as discussed.

**Rep Schmidt:** Second.

**Voice vote taken. Motion carried.**

**Vice Chairman Streyle:** Moved Do Pass as amended.

**Rep. Martinson:** Second.

**A Roll Call vote was taken: Yes 6, No 0, Absent 1.**

**Do Pass as amended carries.**

**Vice Chairman Streyle** will carry the bill.

**Chairman Monson:** adjourned.

# 2017 HOUSE STANDING COMMITTEE MINUTES

**Appropriations Committee**  
Roughrider Room, State Capitol

SB 2019  
March 30, 2017  
29844

- Subcommittee  
 Conference Committee

*Donna W. Heithaus*

## **Explanation or reason for introduction of bill/resolution:**

A BILL for an Act to provide an appropriation for defraying the expenses of the state board for career and technical education.

## **Minutes:**

[Empty box for minutes]

**Representative Streyle:** Reviewed the bill and the amendment 17.0527.02001. Basically the senate follow Governor Dalrymple reductions, 1 FTE, health care changes, salary and wage line was cut by 26 thousand, operating 74 thousand post-secondary grants 80 thousand, work force grants 203 thousand. We did further reduce that line item to 1.6, that would be the train ND money. Adjust other state funded grants came across from the senate at 1.1 and we left that alone. We eliminated another FTE at 157 thousand. Right after section 2 there's a 2.477-million-dollar income, that would be from foundation aid stabilization fund which was holding them harmless with measure 2 money and SB 2272. Market place for Kids; We did put it back where it was the past biennium, we did change this to a one-time funding.

**Representative Monson:** It's like a science fair; they do entrepreneurship projects.

**Chairman Delzer:** What does the money go for? Is the money to put it on or for awards or what?

**Representative Monson:** To put it on, to travel

**Chairman Delzer:** Do they pay for the students to come to the bigger cities and stay?

**Representative Monson:** No these are done locally, usually in small schools. Williston is one of the regions they invite schools for the day, it's like a science fair thing. There's a bunch of places that host these and the kids do projects much like a science fair. The student count was 4,777 kids, they had 1,260 projects in 8 different regions. Dickinson, Bismarck, Jamestown, Wahpeton, Fargo,

**Chairman Delzer:** How much of the 300 thousand did they spend last time out of the 300 thousand?

**Representative Monson:** I think they spent all of it.

**Representative Streyle:** This has been a program for many biennium and it was funded at the 250 in the budget and we felt that it was connecting a lot of kids to career like things as well. As far as adjusting; on the back page the adjusting for STEM grants, that was just put in the wrong line, it's the secondary grant for STEM and it was in the post-secondary grant line. Total decrease was 2.5 million and 2 FTEs. One if the big changes was the Work Force training reduction, we just thought the employers should pay a little more for training their own employees.

**Representative Pollert:** Did you have much discussion on adult farm management?

**Representative Streyle:** We did not change this from how it came form the senate, we followed the governor's recommendation for this. It subsidizes a portion of the fee for these type of services. I know it's a reduction, there was an allotment piece to this, great program we just decided to leave it where it was.

**Representative Nathe:** The million dollars for the Work Force Training grant; are you guys consolidation some of those regions then?

**Representative Streyle:** No, this would just simply be split like it was before.

**Chairman Delzer:** Was the discussion of having further contribution by the companies?

**Representative Streyle:** I am not sure if they can accept more of a cost share, I would assume that we wouldn't need to change any of that.

**Move to amend SB 2019 with 17.0527.02001**

**Representative Monson: Second**

**Voice vote All in Favor, Motion Carries**

**Representative Kempenich:** The money from the Foundation Stabilization Fund, is that general fund money?

**Chairman Delzer:** What that 2477 actually is, is a hold harmless for allotment because CE&T was not covered under the allotment. So they took their allotment and that 2477 put them back to the same level as where they would have been if they were covered. SB 2272 put it in the language to be covered by the allotment out of the Foundation Aid Stabilization Fund

**Representative Streyle: Do Pass as Amended**

**Representative Monson: Second**

**Chairman Delzer:** The clerk will take the roll.

**A Roll Call vote was taken. Yea: 20      Nay: 0      Absent: 1**

**Motion Carries.**

**Representative Streyle will carry the bill. Hearing adjourned.**



3/31/17 DV  
1 of 2

17.0527.02001  
Title.03000

Prepared by the Legislative Council staff for  
House Appropriations - Education and  
Environment Division Committee  
March 30, 2017

Fiscal No. 1

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2019

Page 1, replace lines 12 through 21 with:

"Salaries and wages	\$4,763,504	(\$63,529)	\$4,699,975
Operating expenses	1,267,340	(26,751)	1,240,589
Grants	31,240,290	1,593,066	32,833,356
Grants - postsecondary	661,113	(364,906)	296,207
Adult farm management	660,438	(80,616)	579,822
Workforce training	<u>2,803,500</u>	<u>(1,203,500)</u>	<u>1,600,000</u>
Total all funds	\$41,396,185	(\$146,236)	\$41,249,949
Less estimated income	<u>9,697,887</u>	<u>2,395,779</u>	<u>12,093,666</u>
Total general fund	\$31,698,298	(\$2,542,015)	\$29,156,283
Full-time equivalent positions	26.50	(2.00)	24.50

**SECTION 2. HEALTH INSURANCE INCREASE.** The salaries and wages line item in section 1 of this Act includes the sum of \$61,059 from the general fund for increases in employee health insurance premiums from \$1,130 to \$1,241 per month."

Page 2, replace lines 4 and 5 with:

"School district and area center grants	\$0	\$2,427,000
Marketplace for kids	<u>0</u>	<u>300,000</u>
Total all funds	\$0	\$2,727,000
Less estimated income	<u>0</u>	<u>2,477,000</u>
Total general fund	\$0	\$250,000"

Page 2, line 12, after the period insert "Of this amount, \$50,000 is for the marketplace for kids program."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2019 - Dept. of Career and Technical Education - House Action**

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$4,763,504	\$4,864,807	(\$164,832)	\$4,699,975
Operating expenses	1,267,340	1,240,589		1,240,589
Grants	31,240,290	32,542,856	290,500	32,833,356
Grants - Postsecondary	661,113	586,707	(290,500)	296,207
Adult farm management	660,438	579,822		579,822
Workforce training	<u>2,803,500</u>	<u>2,600,000</u>	<u>(1,000,000)</u>	<u>1,600,000</u>
Total all funds	\$41,396,185	\$42,414,781	(\$1,164,832)	\$41,249,949
Less estimated income	<u>9,697,887</u>	<u>12,093,666</u>	<u>0</u>	<u>12,093,666</u>
General fund	\$31,698,298	\$30,321,115	(\$1,164,832)	\$29,156,283
FTE	26.50	25.50	(1.00)	24.50

**Department No. 270 - Dept. of Career and Technical Education - Detail of House Changes**

3/3/17 DP  
 2df2

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Removes 1 FTE Position <sup>2</sup>	Adjusts Funding for STEM Grants <sup>3</sup>	Adjusts Funding for Workforce Training <sup>4</sup>	Adjusts Funding for Marketplace for Kids <sup>5</sup>	Total House Changes
Salaries and wages	(\$7,632)	(\$157,200)				(\$164,832)
Operating expenses						
Grants			290,500			290,500
Grants - Postsecondary			(290,500)			(290,500)
Adult farm management						
Workforce training				(1,000,000)		(1,000,000)
<b>Total all funds</b>	<b>(\$7,632)</b>	<b>(\$157,200)</b>	<b>\$0</b>	<b>(\$1,000,000)</b>	<b>\$0</b>	<b>(\$1,164,832)</b>
Less estimated income	0	0	0	0	0	0
<b>General fund</b>	<b>(\$7,632)</b>	<b>(\$157,200)</b>	<b>\$0</b>	<b>(\$1,000,000)</b>	<b>\$0</b>	<b>(\$1,164,832)</b>
<b>FTE</b>	<b>0.00</b>	<b>(1.00)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(1.00)</b>

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is also adjusted to reflect the revised premium rate.

<sup>2</sup> Funding is removed for 1 FTE assistant program supervisor position.

<sup>3</sup> Funding of \$290,500 for science, technology, engineering, and math (STEM) grants is transferred from the grants - postsecondary line item to the grants line item to provide a total of \$296,207 in the grants - postsecondary line item and \$32,833,356 in the grants line item.

<sup>4</sup> Funding is reduced for workforce training grants by \$1 million from the general fund to provide a total appropriation of \$1.6 million.

<sup>5</sup> Ongoing funding for the Marketplace for Kids program is reduced by \$250,000 and replaced with \$250,000 of one-time funding. An amount of \$50,000 from the foundation aid stabilization fund is also identified in section 4 of the bill to provide a total one-time appropriation of \$300,000 for the program.

Date: 3-27-2017  
Roll Call Vote #: 1

2017 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 2019

House Appropriations - Education and Environment Division Committee

Subcommittee

Amendment LC# or Description: 17.0527.02001

Recommendation:  Adopt Amendment  
 Do Pass     Do Not Pass     Without Committee Recommendation  
 As Amended     Rerefer to Appropriations  
 Place on Consent Calendar  
Other Actions:  Reconsider     \_\_\_\_\_

Motion Made By Rep Strey le    Seconded By Rep Schmidt

Representatives	Yes	No	Representatives	Yes	No
Chairman Monson			Rep Boe		
Vice Chairman Strey le					
Rep Martinson					
Rep Sanford					
Rep Schatz					
Rep Schmidt					

*Voice Vote*

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent: amend SB 2019 with changes we discussed

*Motion Carried*

Date: 3-27-2017  
 Roll Call Vote #: 2

**2017 HOUSE STANDING COMMITTEE  
 ROLL CALL VOTES  
 BILL/RESOLUTION NO. 2019**

House Appropriations - Education and Environment Division Committee

Subcommittee

Amendment LC# or Description: \_\_\_\_\_

Recommendation:  Adopt Amendment  
 Do Pass     Do Not Pass     Without Committee Recommendation  
 As Amended     Rerefer to Appropriations  
 Place on Consent Calendar  
 Other Actions:  Reconsider     \_\_\_\_\_

Motion Made By Rep Streyle Seconded By Rep Martinson

Representatives	Yes	No	Representatives	Yes	No
Chairman Monson	✓		Rep Boe	AB	
Vice Chairman Streyle	✓				
Rep Martinson	✓				
Rep Sanford	✓				
Rep Schatz	✓				
Rep Schmidt	✓				

Total (Yes) 6 No 0

Absent 1

Floor Assignment Rep Streyle

If the vote is on an amendment, briefly indicate intent:

Date: 3/30/2017  
Roll Call Vote #: 1

**2017 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2019**

House Appropriations Committee

Subcommittee

Amendment LC# or Description: 17.0527.02001

Recommendation:  Adopt Amendment  
 Do Pass     Do Not Pass     Without Committee Recommendation  
 As Amended     Rerefer to Appropriations  
 Place on Consent Calendar  
Other Actions:  Reconsider     \_\_\_\_\_

Motion Made By Representative Streyle    Seconded By Representative Monson

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer					
Representative Kempenich			Representative Streyle		
Representative: Boehning			Representative Vigesaa		
Representative: Brabandt					
Representative Brandenburg					
Representative Kading			Representative Boe		
Representative Kreidt			Representative Delmore		
Representative Martinson			Representative Holman		
Representative Meier					
Representative Monson					
Representative Nathe					
Representative J. Nelson					
Representative Pollert					
Representative Sanford					
Representative Schatz					
Representative Schmidt					

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_ *Motion Carries*

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

Date: 3/30/2017  
Roll Call Vote #: 2

**2017 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2019**

House Appropriations Committee

Subcommittee

Amendment LC# or Description: \_\_\_\_\_

Recommendation:  Adopt Amendment  
 Do Pass  Do Not Pass  Without Committee Recommendation  
 As Amended  Rerefer to Appropriations  
 Place on Consent Calendar  
Other Actions:  Reconsider  \_\_\_\_\_

Motion Made By Representative Streyle Seconded By Representative Monson

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer	X				
Representative Kempenich	X		Representative Streyle	X	
Representative: Boehning	X		Representative Vigesaa	X	
Representative: Brabandt	X				
Representative Brandenburg	X				
Representative Kading	A		Representative Boe	X	
Representative Kreidt	X		Representative Delmore	X	
Representative Martinson	X		Representative Holman	X	
Representative Meier	X				
Representative Monson	X				
Representative Nathe	X				
Representative J. Nelson	X				
Representative Pollert	X				
Representative Sanford	X				
Representative Schatz	X				
Representative Schmidt	X				

Total (Yes) 20 No 0

Absent 1

Floor Assignment Representative Streyle

If the vote is on an amendment, briefly indicate intent:

*Motion carries*

**REPORT OF STANDING COMMITTEE**

**SB 2019, as engrossed: Appropriations Committee (Rep. Delzer, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (20 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2019 was placed on the Sixth order on the calendar.

Page 1, replace lines 12 through 21 with:

"Salaries and wages	\$4,763,504	(\$63,529)	\$4,699,975
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FTE	26.50	25.50	(1.00)	24.50

**Department No. 270 - Dept. of Career and Technical Education - Detail of House Changes**

Adjusts Funding for Health Insurance Increases <sup>1</sup>	Removes 1 FTE Position <sup>2</sup>	Adjusts Funding for STEM Grants <sup>3</sup>	Adjusts Funding for Workforce Training <sup>4</sup>	Adjusts Funding for Marketplace for Kids <sup>5</sup>	Total House Changes

Salaries and wages	(\$7,632)	(\$157,200)				(\$164,832)
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General fund	(\$7,632)	(\$157,200)	\$0	(\$1,000,000)	\$0	(\$1,164,832)
FTE	0.00	(1.00)	0.00	0.00	0.00	(1.00)

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**2017 CONFERENCE COMMITTEE**

**SB 2019**

# 2017 SENATE STANDING COMMITTEE MINUTES

**Appropriations Committee**  
Harvest Room, State Capitol

SB 2019  
4/11/2017  
JOB # 30049

- Subcommittee  
 Conference Committee

Committee Clerk Signature

*Mary Jo Warkentin (Chair) (Robert Erbele)*

## Explanation or reason for introduction of bill/resolution:

A Conference Committee hearing on Career and Tech. Ed.

## Minutes:

1. Base Level Funding Changes

**Chairman Erbele:** called the Conference Committee to order on SB 2019 at 11:00 am in the Harvest Room. Roll call was taken. All conferees were present: Chairman Robert Erbele, Senators Ray Holmberg, Larry Robinson; Representatives: David Monson, Mark Sanford, Mike Schatz. Levi Kinnischtzke, Legislative Council and Stephanie Gullickson, OMB were also present. Levi Kinnischtzke presented Testimony attached # 1- Base Level Funding Changes. However, it was never addressed in the hearing.

**Chairman Erbele:** Before we ask the House to recede we will ask you to explain the budget changes.

**Rep. Monson:** 5 changes. The health insurance. We did remove funding for 1 FTE assistant program, supervisor position which I believe is vacant. The 3<sup>rd</sup> thing we did was changed money from STEM grants to the post-secondary line item to the grants line item. My bill carrier was Rep. Streytle who was not one here. We couldn't remember why we did that, so that's what I shared with Sen. Holmberg. I sent Rep Sanford because it was just a shift of money from one- line item in grants to another. The answer was it was coded wrong. No reduction, that was a coding error. No reduction, it just got switched from one place to another.

**Levi Kinnischtzke, Legislative Council:** That is exactly correct. The Stem grants are really related to K-12 funding not the post-secondary, so the most appropriate spot for it would be the grants line item.

**Chairman Holmberg:** CTE, the money that goes to school districts will be protected by the foundation and stabilization fund. Does this transfer here then move back, to a protected status, or from a protected to a unprotected status?

**Levi Kinnischtzke:** I am not sure. The funding was for K-12. It would be covered under the foundation aid stabilization umbrella.

**Rep. Monson:** The 4<sup>th</sup> change, we reduced the Workforce Training Grants by one million dollars from the general fund to provide a total appropriation of \$1.6 M. The reason being of course that it's general funds and we're trying to balance a budget to the general fund is where we got to find the money to do that. A lot of people on the House side, in our chamber feel that this was something started years ago, back when Rep. Dorso actually was Majority Leader, back in the 1990's. It was originally set up to start the program and it was supposed to continue on by itself. We've been funding it pretty much ever since, and the feeling is that this time when we don't have the funding this might be the time when it is supposed to fund itself. We still left \$1.6M in there with the idea that if it's really, really valuable, to the employers of North Dakota, they might have to make up that difference and pay more of that training for their employees. So, that was kind of the history that we had, and I remember when we started it, and that was how it was supposed to be. We didn't have the term of one-time funding back then, but that is kind of what it was supposed to be as we recall. We thought this was a place where we can save \$1Million dollars in the General Fund. The 5<sup>th</sup> change that we made was the on-going funding for Market Place for Kids program. We were going to eliminate it or cut it back quite substantially, what we did was we changed some of it \$250,000 on- going funding for the Market Place for Kids program was reduced by \$250,000 and replaced with \$250,000 of one-time funding. The amount of \$50,000 from the Foundation Aid Stabilization Fund, Measure 2 money if you will, is also again identified in Section 4, to provide a total one- time appropriation of \$300,000 for the program. Hopefully in 2 years time we will have more money. By making it one time, we think it's a pretty valuable program. We tried to ease a little bit of pressure on the general fund by making \$50,000 of that come from the Foundation Aid Stabilization Fund which is already it's not overspent any more, at one time it was, during this session, but we prod a little bit of leeway there, that's the reason behind that. We had talked about doing away with it completely, in the end, Wayne Kutzer showed us all the involvement in the different schools.

**Chairman Erbele:** House committee, the biggest issue would be # 4. It is quite huge. I remember and I also heard the way it was presented on the floor, that we should not be supporting businesses, this does not support businesses, it supports the infrastructure of the training. So I think that is the difference and that is probably a misconception then that we need to work through and talk about.

**Senator Robinson:** And with that reduction there is nothing out there to replace those dollars. I think this is it. It is a clear reduction to Work Force Training. Is that not the case Levi? We are not duplicating at all here, are we?

**Levi Kinnischtzke:** There is Workforce Training in a couple of different agencies, but after this session, they will be greatly reduced, Job Service ND has nothing left, the only thing the Department of Commerce will have is some funding for operations intern and then the only item in the budget is Train ND.

**Chairman Erbele:** This is housed in four of our two year colleges. We all know that Career and Tech Ed jobs make up the vast support of industry in ND. We would feel quite strongly about maintaining those dollars and going forward with your other suggestions.

**Senator Holmberg:** Is this where the 4 quadrants were supposed to raise a certain amount of money? I can't remember the status of that. Or did that go by the wayside when some of them found they couldn't do it very well? I just don't recall.

**Rep. Monson:** I am not sure what all the rules were. This is for the 2 year colleges basically and when it started way back in the 1990s the money was put in there to buy the equipment to get the program set up. It's been set up for some time. Now what the requirements were for to raise money, I don't remember what that is.

**Levi Kinnischtzke:** I am not entirely familiar with the Work Force and Train ND. In the 2013-15 biennium there was a \$1 M dollar one-time funding item for Train ND, but regarding a specific funding requirements or matching things of that nature, of that I would have to look more into it.

**Senator Holmberg:** The other part of the success of the program has been is we have had data in the past, showing that the people who are trained, one of the side benefits of that, is there income generally went up and that translated in to more tax dollars for the money grubbers in Bismarck. That was part of the discussion we had in the past. There were benefits to the company, the worker and the state of ND. But it is certainly something we can discuss.

**Rep. Sanford:** We looked at a couple of these facilities. They are certainly in good shape. In the quality of the equipment that we were able to see. I think one of the issues in the history of the program, somebody built the facilities; kind the first inclination of too many in my view, but, anyway what we saw certainly seemed to be in good shape, space, equipment. I think over time, the cost of construction, cost would pay for itself, I am not sure if that was the understanding. But that is what the understanding that I had, that over time it was going to be self-funded so to speak by the users. It was going to pay for itself.

**Senator Robinson:** I don't know if we have information before us that we need once the House made these amendments. We started getting contacts and emails from folks who had used the program. It would be interesting and I don't know if we have that information readily at our disposal, but how much skin does the private sector have in the game when they enlist a regional center to train 30-40 of their individuals? What is the cost for the entity involved? I don't know, Levi, if we have that? For the employers out there one of the individuals called me about training 40 individuals ASAP and referenced the investment that they had and talked to me in terms of dollars and cents. So if we have any of that information I would like to have it. I think Rep. Sanford you make a good point. The ones I have seen are in good shape.

**Chairman Erbele:** What I have understood it's the businesses that paid for everything, and we are supportive of the infrastructure.

**Senator Robinson:** I don't know what type of outlay they have in that process. I don't know if we have that information available. It would be interesting.

**Rep. Sanford:** I think in the Williston area we were impressed by the contributions that the industry had made. The equipment is a lot different. The training is invaluable there. The

building might be a \$8M building. It's finally paid for. On another campus, another circumstance, it probably was there wasn't quite that commitment you would see from the industry to support the equipment and that was part of the obligation of the state. We actually never did see any data regarding other costs other than the equipment or space.

**Senator Robinson:** I know of one entity that called out of the southeast area, that underscored. They had significant cost in their training but it was the backbone of their company and they either go down that road, or not be competitive in the market place. But just a comment.

**Rep. Monson:** I don't think that we can deny that industry has paid for this training. They have stepped up. If it is an oil type of a job, it's probably a lot more money, than learning how to use a piece of software or a program like that. So I don't know if there is one set price. As the training is needed, the various colleges will step up and this is what it will cost and what we need. Industry has paid their fair share. This might be the time where there is a slow-down in the industry and there is no need for training right now. That was part of our reasoning and discussion as well.

**Chairman Erbele:** They are telling us that things are picking back up again too. It isn't like there hasn't been some cuts made to it and percentage wise compared to what has been done, with other budgets this is huge. I know your talking probably 46% where other areas like in Higher Ed is probably only at 20%. And so, our position is we don't feel it right to ask them to take that deep a cut.

**Rep. Schatz:** Are you aware of what type of equipment is being required? You talked about the infrastructure, that this was going to go for infrastructure rather than anything else, but equipment for training, do you know what type of equipment they're looking for?

**Chairman Erbele:** No. I wouldn't know exactly. Because each school would be unique to what they're doing, you know Williston would be more oil related cranes and so forth; Wahpeton of course would be diesel engines and that sort of thing that company provides. Also they need the tools necessary to understand the equipment that they are working on of course.

**Senator Holmberg:** We need to some mulling over that one-line item. Otherwise I don't have a lot of heartburn on the budget.

**Chairman Erbele:** We would like another number on that position.

**Rep. Monson:** The last offer on the table was \$1.6 from the House. So, it's your move now.

**Chairman Erbele:** We liked our original position. We will hold that for today. We will adjourn for the day.

# 2017 SENATE STANDING COMMITTEE MINUTES

**Appropriations Committee**  
Harvest Room, State Capitol

SB 2019  
4/18/2017  
JOB # 30192

Subcommittee  
 Conference Committee

Committee Clerk Signature

*Mary Jo Wacker for Alice Deizer*

## Explanation or reason for introduction of bill/resolution:

A Conference Committee hearing on Career and Tech. Education

## Minutes:

1. TrainND FY16 State Funding Spending  
2. TrainND Funding  
3. TrainND Capital investment

**Chairman Erbele:** called the Conference Committee to order on SB 2019 at 10:30 am in the Harvest Room. Let the record show that all conferees were present: **Chairman Robert Erbele, Senators Ray Holmberg, Larry Robinson; Representatives: David Monson, Mark Sanford, Mike Schatz.** Levi Kinnischtzke, Legislative Council and Becky Deichert, OMB, were also present.

**Chairman Erbele:** We discussed everything, kind of the last time. We came down as to what we are going to do with the Train ND funds is that correct?

**Representative Monson:** We are about \$1m apart.

**Chairman Erbele:** If we could have some movement in that to get some of those dollars back. \$800,000 if we got that back would bring them up to \$2.4 m which would be a 20% cut like the rest of Higher Education received. Are you willing to discuss any numbers in there?

**Representative Monson:** Not that high. One of the things we are sitting back and watching, Job Service ND has some workforce funds in it. Those have not gone back in. Workforce 20-20 didn't go back in. I don't think anything has changed on those. Commerce is another issue. I am not sure what the commerce conference committee has been doing. I have not sat in on any of that conversation. We find so many duplications in workforce that it has been frustrating over the years, probably for you Senators as well, that we're not sure if there is duplication. They are all just slightly different. This one has been quite successful. We don't deny that. I guess we have a disagreement with former Senator Grindberg sent me an email and said while this was clearly supposed to be ongoing. He sent me ND State Employee Services Chapter 52-08. I read this differently than he does; I read 52-08-10 and it definitely says, 'this is a revolving loan'. Revolving to me means that once it is set up and going, that the fees and all income should go back in and it just keep revolving. We've been feeding money into this program for 20 years. I understand, Mr. Kutzer, they have been using some

of the money from this to pay administration. So if you're going to pay on-going costs, obviously you're not going to get all the money revolving. To me it should have been revolving and we shouldn't have to keep putting money in it, and I know it's the opinion of a lot of the House members, leadership, Rep. Delzer, myself, that we're around when we started this program back in 1999, once we got it up and running and gave it seed money, it all got rolling, everything got set up, and that it should take care of itself. That is our recollection of how this was supposed to go. It just never seems to end. After 18 years, maybe we have to wean them off. That's our thinking behind it.

**Chairman Erbele:** The environment from 1999 to now has changed a lot too. I mean that we couldn't begin to anticipate the growth and the need for technical education. At that point that has really augmented itself here in the last few biennia. As far as when you referred to the other agencies that deal with workforce training, are you saying that if they don't do anything, we shouldn't? Or if that they do then we should too? Where are you going with that? If they don't do it, we don't do it either or if they don't then we should.

**Representative Monson:** If they don't, then keep some of those general funds out of their budgets and use. If they put money in and use it all over there, then I would say the chances that we're going to. We have to balance the budget. I appreciate your comment of 20% cut, it makes some sense at that level. We got to make sure that we don't see it coming back in all the other budgets.

**Chairman Erbele:** As far as the other workforce things, that you're alluding to in the other budgets, then we are kind of aware of them too. But I don't know maybe you do, are they also going to those 4 colleges or are they in different areas? Here as I understand it, we're just dealing with the 4 two-year schools basically.

**Representative Monson:** Basically the four two year schools. Those other ones I know it is used by all kinds of industry, in some ways. Other corporations. I don't know what they do with all that other money. We've been frustrated over the years when we work on all of these budgets and its says workforce on this line, and we go to another budget and it says workforce over there. It's all over. It got put into everything. I think that is probably the more important or the better one myself.

**Senator Holmberg:** We have someone that give us an update because Levi is on both on Job Service and on Commerce. So if Levi could give us an update?

**Levi Kinnischtzke, Legislative Council:** Rep. Monson had referenced a Workforce 20/20 program, in Job Service ND as currently amended by the House that program would be eliminated. There was \$ 930,000 or so, available for that program in the Executive Budget, by the end of two chambers like I said it was eliminated. Currently in conference committee , no formal motions have been made or official amendments have been drafted. So as currently stated, Workforce 20/20 program would still be eliminated. Regarding the Department of Commerce, there workforce training type program is really amounts to the Operation Interim Program. That program was with the Governor Dalrymple budget was \$1.5 M, Governor Burgum reduced it by \$225,000 to \$1.275 M. The Senate adopted the Burgum changes, and the House reduced it more by \$525,000 down to \$750,000. Currently again there has been no formal motion or official amendments drafted by the conference

committee, but there is a proposed change to add back \$200,000 for Operation Interim to provide a total of \$950,000 for Operation Intern.

**Senator Holmberg:** The differences between Operation Intern which is working with helping support internship programs around the state, versus this one which is an employee who works for company x,y,z, getting support for training which at the end of the day, which is a partnership and at the end of the day, that employee is more valuable to him or herself to the company and also to the state general fund. As history indicates, that people who have gone through these training programs typically make more money, and pay more taxes. So there is a difference between them even though they might be all under the big umbrella, job training.

**Representative Monson:** The operation internship money and the 20-20 money in Job service, is that all general fund or were there other sources of funds?

**Levi Kinnischtzke:** It is all general fund.

**Senator Holmberg:** Is the money in Job Service is that matched by federal money or is that General Fund money, and that is the amount that is spent on that program in Job Service? I don't want to double dip.

**Levi Kinnischtzke:** I don't believe there are any federal dollars, but I'll check on that for you.

**Senator Robinson:** After our initial meeting I did have contact with some of our entities who have depended on this program and certainly it varies from one location to another. But the companies out there that participate in this program often spend money of their own money so it is a partnership, so the state is not funding it completely. I just thought I would share that with the committee.

**Representative Monson:** One of the things I think that came out when we were hearing about this program, and other workforce, even the colleges were saying we can train our own secretaries on how to run something, a new machine. We were kind of upset with that. We thought this is just a little bit of an abuse. It may or may not be true. We didn't dig deep enough, we didn't find out. But, I am thinking from what Sen. Holmberg said yes they are people that should be improving their skills, they'll get higher wages, and they will produce more. I have nothing against secretaries, my best helpers over the years have been my secretary, my right hand person. If we go ahead in funding this at a higher level than what we sent it out, we should be putting in some kind of caveat that say, you know we don't just train secretaries, we try to train those that are truly in need of some training to run a complicated machine or really do something and make higher productivity. That was one of the things that turned us off in this program as well.

**Chairman Erbele:** The usage of these dollars. You know we talked about the companies really carrying the bulk of it as far as providing equipment and machinery, and stuff that they work on. And a lot of these dollars go to the colleges for coordination of those programs and administration. Are you saying that is not a good use of it or do you want to delineated how it is used, or can you expand on what you are exactly saying there?



**Representative Monson:** I am not sure I thought this all the way through to the end. I've also just taken a glance at what, perhaps you who sent this out. He referred to Attachments # 1,2 and 3. So most of this goes for salary and fringes. When I look at that, that's not going to rotate or revolve. Even if you look at this, there is going to have to be some matching. I don't know if they ever set up an account with the BND, like it says they were supposed to have. 52-08-10 the revolving loans. The last part of that says the State Board of Higher Education may establish for each institution "may establish" assigned primary responsibility for workforce training a revolving loan fund for workforce training programs start-ups. Now most of these are already going. Now there may be some new jobs that they haven't, that they have to go out and hire some new people, gets some new machines, I suppose so there always a little start-up. But using the borrowing authority provided in Section 15: -10-16.1. So Levi do you know if there is a Bank of North Dakota account set up for these revolving funds? What borrowing authority do they have and have they used that, do you have any of that at your disposal?

**Levi Kinnischtzke:** That information I am not aware of. I do see in the last page of this handout, which I believe was handed out by Mr. Wayne Kutzer. It does say the BND loan was approved by the Legislature in 2013, however I am not aware of loans that they may have at this time.

**Representative Monson:** Would it be possible for us to get more information along that line before we decide just how much money that needs to be thrown in here. The Job Task Analysis services, the testing services, Job Fair services, 52-10-13 again that authorization to charge fees, and it's continuing appropriation. So there again, all fees collected under this section must be deposited in a separate interest bearing account, at the Bank of North Dakota, must be used for the purpose of providing Job Task Analysis Services. I would like to know how much money is sitting in these accounts. I would like to know how much money if any is needed to keep these programs going or has this never been done the way it is supposed to? I think we have a lot of questions yet that probably wouldn't take a lot of work to find. I would feel a lot more comfortable if we had some of those answers.

**Chairman Erbele:** Absolutely, and if we're going to be meeting and making a decision, that is worth anything, whatever information we need we'll have to get.

**Representative Monson:** I am sure the Bank of North Dakota could supply that for us. I am not seeing if there is anybody in our audience that could do that.

**Senator Holmberg:** I agree with Rep. Monson that the information would be useful for us to get the whole picture. I realize it's moving toward the end of session, but it is the kind of documentation that isn't that difficult to get. Just a phone call, etcetera. I don't know the status, the question about job service in the 20/20, and what they are doing. They've been embroiled in an issue regarding buildings I believe and going back and forth on that. So, if it's the shiny object that gets all of the attention and I don't know what is going to happen there. On Commerce we are meeting again, in a couple of hours, and we may be done or close to done, on that particular budget. So then all the pieces that you mentioned earlier hopefully would start to come together, and because this is actually a very simple issue, is it zero, is it a million, and somewhere in between? (0.20.07) That is not going to take a long time to resolve once we get the answers to the questions.

**Representative Monson:** I would agree. Get a few more answers. We have \$1M difference between us.

**Chairman Erbele:** See what the other budgets do. Get these other questions answered about what if there is an account or if there is not. So we are somewhere between \$0 and \$1m so we are adjourned for the day.

# 2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee  
Harvest Room, State Capitol

SB 2019  
4/19/2017  
JOB # 30237

- Subcommittee  
 Conference Committee

Committee Clerk Signature

*Maura Johnson for Alvin DeBevoise*

## Explanation or reason for introduction of bill/resolution:

A Conference Committee Hearing for Career and Tech Education.

## Minutes:

No testimony submitted

**Chairman Erbele:** Called the Conference Committee to order on SB 2019 at 4:00 pm in the Harvest Room. Let the record show that all conferees were present: **Chairman Robert Erbele, Senators Ray Holmberg, Larry Robinson; Representatives: David Monson, Mark Sanford, Mike Schatz.** Levi Kinnischtzke, Legislative Council and Becky Deichert, OMB, were also present.

**Chairman Erbele:** House conferees, we are talking about what we can do; we're down to TrainND monies, and money to go to two-year colleges.

**Representative Monson:** I've found a possible few bucks in another budget. We have 3 conferees out of that budget. So I have Levi working on the amendment for this budget and the other budget; where we can come up with a few dollars to put back into this workforce training and TrainND. Also, one of my committee members is hoping to free up a few dollars for tribal colleges. Rep. Boe did have an amendment drafted for me to present here, how we would fund that is still in the works; but he would like an extra \$100K made available for the tribal college. We had a separate bill with \$500,000 in it that passed, that's the basis. Last session it got \$900,000, and then it was trimmed down between the House and Senate and is at \$500,000. When I read 52-08-10, about revolving loans it says preparation of business plan, subject to state board of higher ed. policies, the president of an institution of higher ed. has assigned primary responsibility for workforce training, shall prepare an annual business plan that must include provisions for use of the Train capacity of the tribal colleges within the designated region. That means to me that the tribal colleges have probably been eligible for these funds. The amendment I have Levi working on, would specify that each of the four regional two-year colleges would participate with a guaranteed amount of money. Then whatever isn't used in that guaranteed amount, that is certainly up for discussion. That would take up \$1.2M. The rest of the money in this pool would be at the discretion of Mr. Kutzer and CTE as to where the need is greatest; who has the most jobs that they need to have trained, and that could include tribal colleges. I would say there would be a pool of money that these two year colleges, based what kind of activity, Willison has oil jobs that are coming

in, they need training, they would apply to Wayne, we have this many people to be trained. When the money is gone, it's gone. That would be what I have Levi working on.

**Senator Robinson:** I like what you are talking about. I'm looking forward to the amendment. I think it makes a lot of sense, and I think it'd be put to good use.

**Chairman Erbele:** You mentioned we do have a tribal college, the money from last session was available to all of them, only one came forward and made success out of it, so they were again awarded in this other budget. They would still have to go through the application process, if nobody applies then it would still remain available to the colleges as the need arose. But you want to dedicate a minimum of \$300,000 to each of the four colleges at this point, with another \$150,000 out there to be offered as grants to the four year institutions plus the tribal colleges.

**Representative Monson:** They all would be guaranteed a certain base amount. They could plan; whatever the size pool that's left...

**Chairman Erbele:** Have you put an amount?

**Representative Monson:** I am working on getting \$2M total. The way it left the House was \$1.6M, that's the way the bill sits now.

**Chairman Erbele:** But in 2003, the money you are referring to is the marketing fund money for the two year colleges that they are willing to give up. Is that what you are asking Levi to do?

**Representative Monson:** We are working on it.

**Senator Holmberg:** We met earlier, we have this on our agenda at our next meeting. I don't know how the House will vote. I think the Senate finds this intriguing, and probably a higher priority use of that \$400K, than in marketing. We will have to bring that up at our next meeting.

**Representative Monson:** This wasn't my idea. It was brought to me by Mr. Kutzer and the colleges, they said we'd rather have workforce money. I talked to people on different committees.

**Chairman Erbele:** Its seems it is the highest and best use of the funds.

**Representative Monson:** It seem like that's where industry wants to be. They need the training, and the colleges do a good job of training. They feel they can market themselves fairly well. We can see this tomorrow.

**Chairman Erbele:** You are going to allow a certain amount to be divided equally and then \$100K pool to be accessed by a granting process.

**Representative Monson:** It would be more than \$100K, perhaps \$100K a year. Although if you throw in a tribal college that has been making good use of it, and would be able to do it, that would mean the two year colleges would not end up with the full amount, because there

would be five dividing the money. Most of the tribal colleges didn't apply for the money that was dedicated before. But one had excellent results; there is no doubt that they have unemployment issues.

**Senator Holmberg:** I think we saw the data from the native school and it's extremely impressive; their success turning around a population that has really struggled. So I hope we can put together something. The \$500,000 is a little light, but that's gone in another bill. If we could have something here to assist what they are doing very successfully that would be another wise use of scarce resources.

**Representative Monson:** Based on what's in code right now, those tribal colleges could have been and should have been applying for TrainND dollars. I did talk to Wayne Kutzer. He did report back to me about the workforce training having a revolving loan fund for workforce training program startups, as far as he could see, no four-year college has ever borrowed and used this provision. Also they are supposed to set up accounts with the Bank of North Dakota, the fees they collect. It sounds like they are doing that. It's supposed to be for the purpose of providing job task analysis, testing, job fair, and personal reemployment account services. Money in this fund are appropriated on a continuing basis for the purpose of providing job services. Obviously, when they spend it, it isn't going to be revolving anymore. When you buy something, the money is gone. Even if they get money back in, it isn't going to be dollar for dollar, They're going to get training money back in, which they're supposed to deposit and rotate and revolve, they maybe have been a little lax on doing that. We should be putting more money in and then they may have to raise the fees a little.

**Chairman Erbele:** You have work in progress that will delineate the amount and disbursement method, is that what we're expecting to see from you?

**Representative Monson:** Levi has to work with Brady, I'm hoping to see something tomorrow.

**Senator Holmberg:** I would ask Levi, in your discussions with Brady, ask him to prepare an amendment for us to consider tomorrow in 2003.

**Chairman Erbele:** We'll see how that wording fits with our plan, we will adjourn.

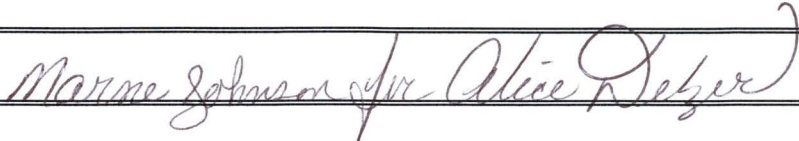
# 2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee  
Harvest Room, State Capitol

SB 2019  
4/20/2017  
JOB # 30242

- Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A Conference Committee for Career and Tech Education

## Minutes:

1. Proposed Amendment # 17.0527.02003

**Chairman Erbele:** called the Conference Committee to order on SB 2019 at 9:00 am in the Harvest Room. Let the record show that all conferees are present: **Chairman Robert Erbele, Senators Ray Holmberg, Larry Robinson; Representatives: David Monson, Mark Sanford, Mike Schatz.** Levi Kinnischtzke, Legislative Council and Becky Deichert, OMB, were also present.

**Chairman Erbele:** I received an amendment that Rep. Monson passed out. We all have them. Please walk us through it.

**Representative Monson:** You should have amendment #17.0527.02003 in front of you. The big difference is the million dollars more that you had in workforce training than what the House version was. You had \$2.6M, we had \$1.6M. The main change that this amendment does is in section 5, explaining workforce training dollars. It is \$2M now, we are taking the money from another budget which is dependent on 2003 giving up the marketing money, \$257,000 out of two-year college marketing; we would be using \$400,000 of that money to bring this number up to \$2M. Which is substantially less than what this program was before. It's the maximum I've been able to get the House members to agree to. The way it is written here is of that first \$2M, \$1.2M would be divided between the four two-year colleges. They would end up with a base, a guarantee of \$300,000 over the biennium; \$150,000 per year. \$800,000 left that Wayne Kutzer, CTE, would then be able to distribute based on need, and then the biggest need would be where the most jobs are. We all received the information what each region received last year, the total when you're looking at \$2M is going to be quite a bit less for workforce training. The biggest bulk of that \$800,000 will go where the biggest bulk of the money went before; some may not get hardly any at all. We did include in there that the tribal colleges can be considered, they can apply. After our meeting yesterday, I talked with Wayne Kutzer and one of the other directors, they said that they already work with the tribes. I talked to Darling in Devils Lake this morning, he said they have asked if they were interested in the past; not recently, it was very poor success. The way this is written, it

doesn't say they will get money directly, they can apply, and work through the two-year colleges.

**Chairman Erbele:** It has to go through the college when they apply. It doesn't go to the student; it goes to the workforce training people.

**Representative Monson:** It would be a bit of a change. It says 'may' it would be up to Wayne Kutzer, I would hope the two-year colleges and the tribal colleges would work together to try to improve workforce training on the reservations or through the colleges.

**Chairman Erbele:** I have a little trouble with the tribal component, in that we are already doing something for the tribes, and only one has shown some success. The other thing, the struggle with being equal going to all the schools; we were handed out a sheet earlier, it varies a lot, from the smallest one, getting \$220,000; to the largest getting \$518,000, you indicate the bigger one can apply for the \$800,000. It will stress the larger one over the smaller one, by making them equal. Equal is not fair. Gave a farm inheritance example. If you take the \$518,000 school and then bring them down and make them equal in the first go around to the \$220,000, you severely stress that larger program. I think you are better off leaving the money in the pool, and then it gets put back out proportionately. Yes, it's a lot less money and we'll be stressing the system, but in this case the smaller one will not be stressed as much as the larger one.

**Representative Monson:** If you get too small a number for those four, and they won't have enough to make it a viable program by going with a guaranteed base, that might be all they get.

**Chairman Erbele:** That's my point, that base for the larger one makes it an ineffective program.

**Representative Monson:** If you take the smaller one and double it, they would be at \$450,000, they may end up with only \$300,000 which is still a big cut from \$450,000. The one that got \$528,000 if you double that, you're looking at \$1.56M. They would be at \$300,000 base, but then they would also get \$500,000 of the \$800,000. That would be up to Mr. Kutzer to divvy out as the need exists.

**Chairman Erbele:** From the business standpoint, if you through the \$800,000 back in and had a solid \$2M, and let them work with it, I think they would develop the best program that way. That's my opinion.

**Representative Monson:** I would move the amendment 17.0527.02003. 2<sup>nd</sup> by Rep. Schatz.

**A Roll Call vote was taken. Yea: 3; Nay: 3; Absent: 0. Motion failed.**

<b>Chairman Erbele:</b>	<b>Nay</b>	<b>Rep. Monson:</b>	<b>Yea</b>
<b>Senator Holmberg:</b>	<b>Nay</b>	<b>Rep. Sanford:</b>	<b>Yea</b>
<b>Senator Robinson:</b>	<b>Nay</b>	<b>Rep. Schatz:</b>	<b>Yea</b>

**Senator Holmberg:** You covered a lot about the actual numbers that were utilized in 2016 and you're right the NE, Devils Lake, Grand Forks, has by far the least amount they have a pretty good percentage of covering their fixed costs, which were \$224,000 in 2016. I'm still not convinced, but I think we're moving in the right direction.

**Chairman Erbele:** I don't think the amount of money is an issue anymore, I think the language now that we need to work on. We're settled on \$2M.

**Representative Monson:** Would you be amenable to something other than the \$300,000 guaranteed base, but still some kind of a guarantee? \$200,000 perhaps?

**Chairman Erbele:** We can take a look at that. That would make the pool bigger.

**Representative Monson:** That would make the pool bigger, we seem to want a bigger pool. That would give him more money to distribute through his old method.

**Chairman Erbele:** Two senators had to exit for a different meeting. That is kind of the direction I want to go. I want to run that \$200,000 number a little bit. Anything else I can pass on. We will adjourn for the day.



# 2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee  
Harvest Room, State Capitol

SB 2019  
4/20/2017  
JOB # 30261

Subcommittee  
 Conference Committee

Committee Clerk Signature

*Alice DeBevoise by Marnie Johnson*

## Explanation or reason for introduction of bill/resolution:

A Conference Committee hearing for Career & Tech Education

## Minutes:

1. Proposed Amendment # 17.0527.02005

**Chairman Erbele:** called the Conference Committee to order on SB 2019 at 4:30 pm in the Harvest Room. Let the record show that all conferees are present: **Senators: Chairman Robert Erbele, Ray Holmberg, Larry Robinson; Representatives: David Monson, Mark Sanford, Mike Schatz.** Levi Kinnischtzke, Legislative Council and Becky Deichert, OMB, are also present.

**Chairman Erbele:** We did have one amendment this morning and it didn't get accepted. I think we are awful close.

**Representative Monson:** After failing on this morning's bid we talked with some of you guys and we adjusted it more in the direction that the Senate seemed to want to go so now I had it redrafted. Now it's Amendment # 17.0527.02005 (See Attachment # 1) there is no difference in this one other than Section 5, and this one would have \$1M that would be distributed to each of the four two-year colleges as their base amount; and then \$1M in a pool that would be distributed any way Mr. Kutzer wanted, based on the need or number of job training applicants. Also in here it does mention about the tribally controlled community colleges; instead of applying directly, they would have to collaborate with at least one of the four higher education institutions listed in this section when submitting application for workforce training grants. They couldn't do it on their own, they would have to work through one of the four. I believe some of them are already doing that; the present law says they can participate; this is a reiteration that they would be qualified for that.

**Representative Monson moved the amendment #17.0527.02005. 2<sup>nd</sup> by Representative. Schatz.**

**Senator Holmberg:** The money coming over from 2003, which line item is that related to?

**Representative Monson:** Where it says Workforce training, the number would be \$2M in the right hand column. You had \$2.6M when you sent it over to us; we turned it into \$1.6M.

It's now \$2M even. The one that I had this morning was \$2M; the middle column on there said \$803K, 5 is taken out. The \$400,000 is just in the \$2M. It was 1.6 and now there is \$400,000.

**Senator Holmberg:** What happened in essence is that the Higher Ed budget, when we get done, we will have gotten rid of that money to the general fund, and then you just added that money essentially from the general fund. Without identifying it, this is the money that you stole from that....

**Levi Kinnischtzke, Legislative Council:** That is exactly correct. There is \$457,000 decrease in SB 2003 and a corresponding action, \$400,000 is added to workforce training in SB 2019.

**Senator Robinson:** The \$57,000 that remains is that still in the marketing line in 2003?

**Levi Kinnischtzke:** It is my understanding that it was a \$457,000 decrease in 2003, therefore resulting in \$57,000 savings back to the general fund.

**Chairman Erbele:** Call the roll on the motion.

**A Roll Call vote was taken. Yea: 6; Nay: 0; Absent: 0. The motion carried.**

<b>Chairman Erbele:</b>	<b>Yea</b>	<b>Representative Monson:</b>	<b>Yea</b>
<b>Senator Holmberg:</b>	<b>Yea</b>	<b>Representative Sanford:</b>	<b>Yea</b>
<b>Senator Robinson:</b>	<b>Yea</b>	<b>Representative Schatz:</b>	<b>Yea</b>

**Chairman Erbele:** Closed the hearing on SB 2019.

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2019

That the House recede from its amendments as printed on pages 1253 and 1254 of the Senate Journal and pages 1348-1350 of the House Journal and that Engrossed Senate Bill No. 2019 be amended as follows:

Page 1, replace lines 12 through 21 with:

"Salaries and wages	\$4,763,504	(\$63,529)	\$4,699,975
Operating expenses	1,267,340	(26,751)	1,240,589
Grants	31,240,290	1,593,066	32,833,356
Grants - postsecondary	661,113	(364,906)	296,207
Adult farm management	660,438	(80,616)	579,822
Workforce training	<u>2,803,500</u>	<u>(803,500)</u>	<u>2,000,000</u>
Total all funds	\$41,396,185	\$253,764	\$41,649,949
Less estimated income	<u>9,697,887</u>	<u>2,395,779</u>	<u>12,093,666</u>
Total general fund	\$31,698,298	(\$2,142,015)	\$29,556,283
Full-time equivalent positions	26.50	(2.00)	24.50

**SECTION 2. HEALTH INSURANCE INCREASE.** The salaries and wages line item in section 1 of this Act includes the sum of \$61,059 from the general fund for increases in employee health insurance premiums from \$1,130 to \$1,241 per month."

Page 2, replace lines 4 and 5 with:

"School district and area center grants	\$0	\$2,427,000
Marketplace for kids	<u>0</u>	<u>300,000</u>
Total all funds	\$0	\$2,727,000
Less estimated income	<u>0</u>	<u>2,477,000</u>
Total general fund	\$0	\$250,000"

Page 2, line 12, after the first period insert "Of this amount, \$50,000 is for the marketplace for kids program.

**SECTION 5. WORKFORCE TRAINING.** The workforce training line item in section 1 of this Act includes \$2 million from the general fund for the purpose of providing workforce training grants for the biennium beginning July 1, 2017, and ending June 30, 2019. Of this amount, \$1.2 million is to be distributed equally to Bismarck state college, lake region state college, Williston state college, and the North Dakota state college of science. The department of career and technical education shall award the remaining \$800,000 of workforce training grants based on job training needs throughout North Dakota and may consider applications from tribally controlled community colleges when determining these grant awards."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2019 - Dept. of Career and Technical Education - Conference Committee Action**

Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
----------------	-------------------	------------------------------------	------------------------------------	------------------	------------------------

Salaries and wages	\$4,763,504	\$4,864,807	(\$164,832)	\$4,699,975	\$4,699,975	
Operating expenses	1,267,340	1,240,589		1,240,589	1,240,589	
Grants	31,240,290	32,542,856	290,500	32,833,356	32,833,356	
Grants - Postsecondary	661,113	586,707	(290,500)	296,207	296,207	
Adult farm management	660,438	579,822		579,822	579,822	
Workforce training	2,803,500	2,600,000	(600,000)	2,000,000	1,600,000	400,000
	\$41,396,185	\$42,414,781	(\$764,832)	\$41,649,949	\$41,249,949	\$400,000
Total all funds						
Less estimated income	9,697,887	12,093,666	0	12,093,666	12,093,666	0
	\$31,698,298	\$30,321,115	(\$764,832)	\$29,556,283	\$29,156,283	\$400,000
General fund						
	26.50	25.50	(1.00)	24.50	24.50	0.00
FTE						

**Department No. 270 - Dept. of Career and Technical Education - Detail of Conference Committee Changes**

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Removes 1 FTE Position <sup>2</sup>	Adjusts Funding for STEM Grants <sup>3</sup>	Adjusts Funding for Workforce Training <sup>4</sup>	Adjusts Funding for Marketplace for Kids <sup>5</sup>	Total Conference Committee Changes
Salaries and wages	(\$7,632)	(\$157,200)				(\$164,832)
Operating expenses						
Grants			290,500			290,500
Grants - Postsecondary			(290,500)			(290,500)
Adult farm management						
Workforce training				(600,000)		(600,000)
Total all funds	(\$7,632)	(\$157,200)	\$0	(\$600,000)	\$0	(\$764,832)
Less estimated income	0	0	0	0	0	0
General fund	(\$7,632)	(\$157,200)	\$0	(\$600,000)	\$0	(\$764,832)
FTE	0.00	(1.00)	0.00	0.00	0.00	(1.00)

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is also adjusted to reflect the revised premium rate.

<sup>2</sup> Funding is removed for 1 FTE assistant program supervisor position, to remove a total of 2 FTE positions and related funding of \$328,582 from the base level, the same as the House version. The Senate approved a reduction of 1 FTE and related funding of \$171,382.

<sup>3</sup> Funding of \$290,500 for science, technology, engineering, and math (STEM) grants is transferred from the grants - postsecondary line item to the grants line item to provide a total of \$296,207 in the grants - postsecondary line item and \$32,833,356 in the grants line item, the same as the House version.

<sup>4</sup> Funding is reduced for workforce training grants by \$600,000 from the general fund to provide a total appropriation of \$2 million, compared to the Senate version of \$2.6 million. The House approved a total appropriation of \$1.6 million from the general fund for workforce training grants. Of the \$2 million appropriated to the department for workforce training grants, \$1.2 million is to be distributed equally to Bismarck State College, Lake Region State College, Williston State College, and the North Dakota State College of Science. The department is to award the remaining \$800,000 based on job training needs throughout North Dakota and may consider applications from tribally controlled community colleges when considering grant recipients. This is also reflected in Section 5 of the bill.

<sup>5</sup> Ongoing funding for the marketplace for kids program is reduced by \$250,000 and replaced with \$250,000 of one-time funding. An amount of \$50,000 from the foundation aid stabilization fund is also identified in Section 4 of the bill to provide a total one-time appropriation of \$300,000 for the program, the same as the House version. The Senate approved \$300,000 for the program, of which \$250,000 was ongoing funding from the general fund and \$50,000 was one-time funding from the foundation aid stabilization fund.

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2019

That the House recede from its amendments as printed on pages 1253 and 1254 of the Senate Journal and pages 1348-1350 of the House Journal and that Engrossed Senate Bill No. 2019 be amended as follows:

Page 1, replace lines 12 through 21 with:

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Workforce training	<u>2,803,500</u>	<u>(803,500)</u>	<u>2,000,000</u>
Total all funds	\$41,396,185	\$253,764	\$41,649,949
Less estimated income	<u>9,697,887</u>	<u>2,395,779</u>	<u>12,093,666</u>
Total general fund	\$31,698,298	(\$2,142,015)	\$29,556,283
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**SECTION 2. HEALTH INSURANCE INCREASE.** The salaries and wages line item in section 1 of this Act includes the sum of \$61,059 from the general fund for increases in employee health insurance premiums from \$1,130 to \$1,241 per month."

Page 2, replace lines 4 and 5 with:

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Marketplace for kids	<u>0</u>	<u>300,000</u>
Total all funds	\$0	\$2,727,000
Less estimated income	<u>0</u>	<u>2,477,000</u>
Total general fund	\$0	\$250,000"

Page 2, line 12, after the period insert "Of this amount, \$50,000 is for the marketplace for kids program.

**SECTION 5. WORKFORCE TRAINING.** The workforce training line item in section 1 of this Act includes \$2 million from the general fund for the purpose of providing workforce training grants for the biennium beginning July 1, 2017, and ending June 30, 2019. Of this amount, \$1 million is to be distributed equally to Bismarck state college, lake region state college, Williston state college, and the North Dakota state college of science. The department of career and technical education shall award the remaining \$1 million of workforce training grants based on job training needs throughout North Dakota and may consider applications from tribally controlled community colleges when determining these grant awards. Tribally controlled community colleges must collaborate with at least one of the four higher education institutions listed in this section when submitting applications for workforce training grants."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

4-20-17  
p. 2 of 3

**Senate Bill No. 2019 - Dept. of Career and Technical Education - Conference Committee Action**

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$4,763,504	\$4,864,807	(\$164,832)	\$4,699,975	\$4,699,975	
Operating expenses	1,267,340	1,240,589		1,240,589	1,240,589	
Grants	31,240,290	32,542,856	290,500	32,833,356	32,833,356	
Grants - Postsecondary	661,113	586,707	(290,500)	296,207	296,207	
Adult farm management	660,438	579,822		579,822	579,822	
Workforce training	2,803,500	2,600,000	(600,000)	2,000,000	1,600,000	400,000
Total all funds	\$41,396,185	\$42,414,781	(\$764,832)	\$41,649,949	\$41,249,949	\$400,000
Less estimated income	9,697,887	12,093,666	0	12,093,666	12,093,666	0
General fund	\$31,698,298	\$30,321,115	(\$764,832)	\$29,556,283	\$29,156,283	\$400,000
FTE	26.50	25.50	(1.00)	24.50	24.50	0.00

**Department No. 270 - Dept. of Career and Technical Education - Detail of Conference Committee Changes**

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Removes 1 FTE Position <sup>2</sup>	Adjusts Funding for STEM Grants <sup>3</sup>	Adjusts Funding for Workforce Training <sup>4</sup>	Adjusts Funding for Marketplace for Kids <sup>5</sup>	Total Conference Committee Changes
Salaries and wages	(\$7,632)	(\$157,200)				(\$164,832)
Operating expenses						
Grants			290,500			290,500
Grants - Postsecondary			(290,500)			(290,500)
Adult farm management						
Workforce training				(600,000)		(600,000)
Total all funds	(\$7,632)	(\$157,200)	\$0	(\$600,000)	\$0	(\$764,832)
Less estimated income	0	0	0	0	0	0
General fund	(\$7,632)	(\$157,200)	\$0	(\$600,000)	\$0	(\$764,832)
FTE	0.00	(1.00)	0.00	0.00	0.00	(1.00)

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is also adjusted to reflect the revised premium rate.

<sup>2</sup> Funding is removed for 1 FTE assistant program supervisor position, to remove a total of 2 FTE positions and related funding of \$328,582 from the base level, the same as the House version. The Senate approved a reduction of 1 FTE and related funding of \$171,382.

<sup>3</sup> Funding of \$290,500 for science, technology, engineering, and math (STEM) grants is transferred from the grants - postsecondary line item to the grants line item to provide a total of \$296,207 in the grants - postsecondary line item and \$32,833,356 in the grants line item, the same as the House version.

<sup>4</sup> Funding is reduced for workforce training grants by \$600,000 from the general fund to provide a total appropriation of \$2 million, compared to the Senate version of \$2.6 million. The House approved a total appropriation of \$1.6 million from the general fund for workforce training grants. Of the \$2 million appropriated to the department for workforce training grants, \$1 million is to be distributed equally to Bismarck State College, Lake Region State College, Williston State College, and the North Dakota State College of Science. The department is to award the remaining \$1 million based on job training needs throughout North Dakota and may consider applications from tribally controlled community colleges when considering grant recipients. Tribally controlled community colleges must collaborate with at least one of the four higher education institutions listed in section 5 of the bill when submitting applications for workforce training grants.

<sup>5</sup> Ongoing funding for the marketplace for kids program is reduced by \$250,000 and replaced with

\$250,000 of one-time funding. An amount of \$50,000 from the foundation aid stabilization fund is also identified in Section 4 of the bill to provide a total one-time appropriation of \$300,000 for the program, the same as the House version. The Senate approved \$300,000 for the program, of which \$250,000 was ongoing funding from the general fund and \$50,000 was one-time funding from the foundation aid stabilization fund.

Date: \_\_\_\_\_  
 Roll Call Vote #: \_\_\_\_\_

**2017 SENATE CONFERENCE COMMITTEE  
 ROLL CALL VOTES**

BILL/RESOLUTION NO. 2019 as (re) engrossed

**Senate Appropriations Committee**

- Action Taken  SENATE accede to House Amendments  
 SENATE accede to House Amendments and further amend  
 HOUSE recede from House amendments  
 HOUSE recede from House amendments and amend as follows
- Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: \_\_\_\_\_ Seconded by: \_\_\_\_\_

Senators	4/11	4/18	4/19	Yes	No	Representatives	4/11	4/18	4/19	Yes	No
Senator Erbele	✓	✓	✓			Rep. Monson	✓	✓	✓		
Senator Holmberg	✓	✓	✓			Rep. Sanford	✓	✓	✓		
Senator Robinson	✓	✓	✓			Rep. Schatz	✓	✓	✓		
Total Senate Vote						Total Rep. Vote					

Vote Count Yes: \_\_\_\_\_ No: \_\_\_\_\_ Absent: \_\_\_\_\_

Senate Carrier \_\_\_\_\_ House Carrier \_\_\_\_\_

LC Number \_\_\_\_\_ of amendment

LC Title # \_\_\_\_\_ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment



Date: 4-20-17 AM  
 Roll Call Vote #: 1

**2017 SENATE CONFERENCE COMMITTEE  
 ROLL CALL VOTES**

BILL/RESOLUTION NO. SB 2019 as (re) engrossed

**Senate Appropriations Committee**

- Action Taken  SENATE accede to House Amendments  
 SENATE accede to House Amendments and further amend  
 HOUSE recede from House amendments  
 HOUSE recede from House amendments and amend as follows  
 Unable to agree, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Monson Seconded by: Schatz

Senators	AM		Yes	No	Representatives	AM		Yes	No
	4/20					4/20			
<del>#. Echele</del>	✓			✓	Monson	✓		✓	
Holmberg	✓			✓	Sanford	✓		✓	
Robinson	✓			✓	Schatz	✓		✓	
Total Senate Vote				3	Total Rep. Vote			3	

Vote Count Yes: 3 No: 3 Absent: 0

Senate Carrier \_\_\_\_\_ House Carrier \_\_\_\_\_

LC Number \_\_\_\_\_ of amendment

LC Title # \_\_\_\_\_ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment Motion failed

Amendment # 17.0527.02003

Date: 4.20.17 pm  
 Roll Call Vote #: 1

**2017 SENATE CONFERENCE COMMITTEE  
 ROLL CALL VOTES**

BILL/RESOLUTION NO. 2019 as (re) engrossed

**Senate Appropriations Committee**

- Action Taken
- SENATE accede to House Amendments
  - SENATE accede to House Amendments and further amend
  - HOUSE recede from House amendments
  - HOUSE recede from House amendments and amend as follows
  - Unable to agree, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Rep Monson Seconded by: Rep Schatz

Senators	4/20 PM	Yes	No	Representatives	4/20 PM	Yes	No
<u>Erbele</u>	✓	✓		<u>Monson</u>	✓	✓	
<u>Holmberg</u>	✓	✓		<u>Sanford</u>	✓	✓	
<u>Robinson</u>	✓	✓		<u>Schatz</u>	✓	✓	
Total Senate Vote		3		Total Rep. Vote		3	

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier Erbele House Carrier Monson

LC Number 17.0527 . 02005 of amendment

LC Title # 04000 . 17.0527.02005 of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Amendment # 17.0527.02005

Insert LC: 17.0527.02005  
 Senate Carrier: Erbele  
 House Carrier: Monson

**REPORT OF CONFERENCE COMMITTEE**

**SB 2019, as engrossed:** Your conference committee (Sens. Erbele, Holmberg, Robinson and Reps. Monson, Sanford, Schatz) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1253-1254, adopt amendments as follows, and place SB 2019 on the Seventh order:

That the House recede from its amendments as printed on pages 1253 and 1254 of the Senate Journal and pages 1348-1350 of the House Journal and that Engrossed Senate Bill No. 2019 be amended as follows:

Page 1, replace lines 12 through 21 with:

"Salaries and wages	\$4,763,504	(\$63,529)	\$4,699,975
Operating expenses	1,267,340	(26,751)	1,240,589
Grants	31,240,290	1,593,066	32,833,356
Grants - postsecondary	661,113	(364,906)	296,207
Adult farm management	660,438	(80,616)	579,822
Workforce training	<u>2,803,500</u>	<u>(803,500)</u>	<u>2,000,000</u>
Total all funds	\$41,396,185	\$253,764	\$41,649,949
Less estimated income	<u>9,697,887</u>	<u>2,395,779</u>	<u>12,093,666</u>
Total general fund	\$31,698,298	(\$2,142,015)	\$29,556,283
Full-time equivalent positions	26.50	(2.00)	24.50

**SECTION 2. HEALTH INSURANCE INCREASE.** The salaries and wages line item in section 1 of this Act includes the sum of \$61,059 from the general fund for increases in employee health insurance premiums from \$1,130 to \$1,241 per month."

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Total all funds	\$0	\$2,727,000
Less estimated income	<u>0</u>	<u>2,477,000</u>
Total general fund	\$0	\$250,000"

Page 2, line 12, after the period insert "Of this amount, \$50,000 is for the marketplace for kids program.

**SECTION 5. WORKFORCE TRAINING.** The workforce training line item in section 1 of this Act includes \$2 million from the general fund for the purpose of providing workforce training grants for the biennium beginning July 1, 2017, and ending June 30, 2019. Of this amount, \$1 million is to be distributed equally to Bismarck state college, lake region state college, Williston state college, and the North Dakota state college of science. The department of career and technical education shall award the remaining \$1 million of workforce training grants based on job training needs throughout North Dakota and may consider applications from tribally controlled community colleges when determining these grant awards. Tribally controlled community colleges must collaborate with at least one of the four higher education institutions listed in this section when submitting applications for workforce training grants."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

Insert LC: 17.0527.02005  
 Senate Carrier: Erbele  
 House Carrier: Monson

**Senate Bill No. 2019 - Dept. of Career and Technical Education - Conference Committee Action**

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$4,763,504	\$4,864,807	(\$164,832)	\$4,699,975	\$4,699,975	
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Less estimated income	9,697,887	12,093,666	0	12,093,666	12,093,666	0
General fund	\$31,698,298	\$30,321,115	(\$764,832)	\$29,556,283	\$29,156,283	\$400,000
FTE	26.50	25.50	(1.00)	24.50	24.50	0.00

**Department No. 270 - Dept. of Career and Technical Education - Detail of Conference Committee Changes**

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Removes 1 FTE Position <sup>2</sup>	Adjusts Funding for STEM Grants <sup>3</sup>	Adjusts Funding for Workforce Training <sup>4</sup>	Adjusts Funding for Marketplace for Kids <sup>5</sup>	Total Conference Committee Changes
Salaries and wages	(\$7,632)	(\$157,200)				(\$164,832)
Operating expenses						
Grants			290,500			290,500
Grants - Postsecondary			(290,500)			(290,500)
Adult farm management						
Workforce training				(600,000)		(600,000)
Total all funds	(\$7,632)	(\$157,200)	\$0	(\$600,000)	\$0	(\$764,832)
Less estimated income	0	0	0	0	0	0
General fund	(\$7,632)	(\$157,200)	\$0	(\$600,000)	\$0	(\$764,832)
FTE	0.00	(1.00)	0.00	0.00	0.00	(1.00)

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is also adjusted to reflect the revised premium rate.

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**Insert LC: 17.0527.02005**  
**Senate Carrier: Erbele**  
**House Carrier: Monson**

<sup>5</sup> Ongoing funding for the marketplace for kids program is reduced by \$250,000 and replaced with \$250,000 of one-time funding. An amount of \$50,000 from the foundation aid stabilization fund is also identified in Section 4 of the bill to provide a total one-time appropriation of \$300,000 for the program, the same as the House version. The Senate approved \$300,000 for the program, of which \$250,000 was ongoing funding from the general fund and \$50,000 was one-time funding from the foundation aid stabilization fund.

Engrossed SB 2019 was placed on the Seventh order of business on the calendar.

**2017 TESTIMONY**

**SB 2019**

**Department 270 - Career and Technical Education  
Senate Bill Nos. 2019 and 2079**

**Executive Budget Comparison to Prior Biennium Appropriations**

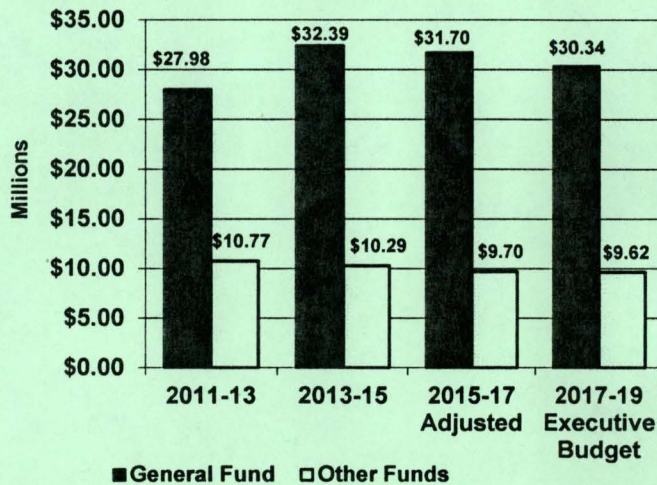
	FTE Positions	General Fund	Other Funds	Total
2017-19 Executive Budget	25.50	\$30,341,516	\$9,616,666	\$39,958,182
2015-17 Adjusted Legislative Appropriations <sup>1</sup>	26.50	31,698,298	9,697,887	41,396,185
Increase (Decrease)	(1.00)	(\$1,356,782)	(\$81,221)	(\$1,438,003)

<sup>1</sup>The 2015-17 biennium agency appropriation amounts reflect general fund budget reductions made in August 2016.

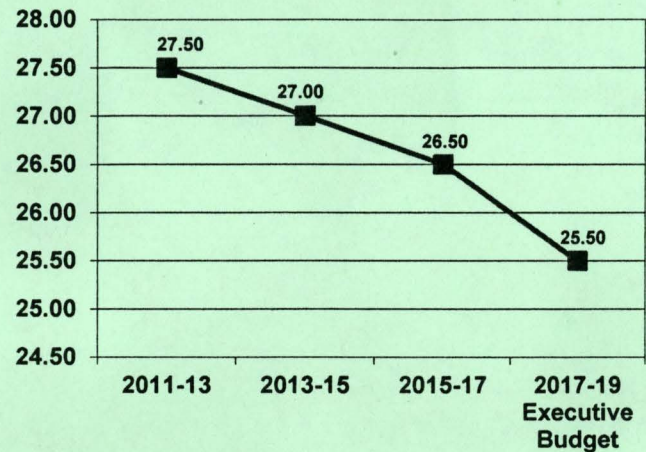
**Ongoing and One-Time General Fund Appropriations**

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2017-19 Executive Budget	\$30,341,516	\$0	\$30,341,516
2015-17 Adjusted Legislative Appropriations	31,698,298	0	31,698,298
Increase (Decrease)	(\$1,356,782)	\$0	(\$1,356,782)

**Agency Funding**



**FTE Positions**



**Executive Budget Comparison to Base Level**

	General Fund	Other Funds	Total
2017-19 Executive Budget	\$30,341,516	\$9,616,666	\$39,958,182
2017-19 Base Level	31,698,298	9,697,887	41,396,185
Increase (Decrease)	(\$1,356,782)	(\$81,221)	(\$1,438,003)

**Executive Budget Highlights**

	General Fund	Other Funds	Total
1. Adds funding for state employee salary and benefit increases, of which \$20,401 is for salary increases and \$68,691 is for health insurance increases	\$89,092	\$0	\$89,092
2. Removes 1 assistant supervisor FTE position (Funding for the position was removed during the August 2016 budget reduction)	\$0	\$0	\$0
3. Reduces funding for grants, including reductions to postsecondary grants (\$74,406), adult farm management grants (\$80,616), workforce training grants (\$203,500), and state-funded grants (\$1,174,434)	(\$1,532,956)	\$0	(\$1,532,956)

**Continuing Appropriations**

There are no continuing appropriations for this agency.

**Deficiency Appropriation**

There are no deficiency appropriations for this agency.

**Significant Audit Findings**

There are no significant audit findings for this agency.

**Major Related Legislation**

At this time, no major related legislation has been introduced affecting this agency.



**Career and Technical Education - Budget No. 270**

**Senate Bill Nos. 2019 and 2079**

**Base Level Funding Changes**

	<u>Executive Budget Recommendation</u>			
	<u>FTE</u>	<u>General</u>	<u>Other</u>	<u>Total</u>
	<u>Position</u>	<u>Fund</u>	<u>Funds</u>	
<b>2017-19 Biennium Base Level</b>	26.50	\$31,698,298	\$9,697,887	\$41,396,185
<b>2017-19 Ongoing Funding Changes</b>				
Base payroll changes		(\$54,785)	(\$81,221)	(\$136,006)
Salary increase		20,401		20,401
Health insurance increase		68,691		68,691
Reduce 1 FTE position	(1.00)			0
Adjust salaries and wages		168,618		168,618
Adjusts operating expenses		(26,751)		(26,751)
Adjusts postsecondary grants		(74,406)		(74,406)
Adjusts adult farm management grants		(80,616)		(80,616)
Adjusts workforce training grants		(203,500)		(203,500)
Adjusts other state-funded grants		(1,174,434)		(1,174,434)
Total ongoing funding changes	(1.00)	(\$1,356,782)	(\$81,221)	(\$1,438,003)
<b>One-time funding items</b>				
No one-time funding items				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0
<b>Total Changes to Base Level Funding</b>	(1.00)	(\$1,356,782)	(\$81,221)	(\$1,438,003)
<b>2017-19 Total Funding</b>	25.50	\$30,341,516	\$9,616,666	\$39,958,182

**Other Sections in Career and Technical Education - Budget No. 270**

Executive Budget Recommendation

No other sections for this agency.

## Department 270 - Career and Technical Education

## Appropriations Comparisons to the Original and Adjusted Base Budgets

### General Fund Appropriations Adjustments (As a result of the August 2016 General Fund Budget Reductions)

	Ongoing	One-Time	Total
2015-17 original general fund appropriations	\$33,813,312	\$106,750	\$33,920,062
General fund reductions	(2,115,014)	(106,750)	(2,221,764)
Adjusted 2015-17 appropriations	\$31,698,298	\$0	\$31,698,298
Executive Budget changes	(1,356,782)	0	(1,356,782)
2017-19 Executive Budget	\$30,341,516	\$0	\$30,341,516

### Summary of August 2016 General Fund Budget Reductions

	Ongoing	One-Time	Total
Savings from vacant assistant supervisor position	(\$171,382)		(\$171,382)
Reduced other salaries and wages funding	(\$168,618)		(\$168,618)
Reduced operating expenses for science, technology, engineering, & mathematics (STEM) advancement initiative	(6,550)		(6,550)
Reduced operating expenses for desktop support services	(103,840)	(\$106,750)	(210,590)
Reduced other operating expenses	(79,449)		(79,449)
Reduced grants, including state-funded grants	(1,302,972)		(1,302,972)
Reduced adult farm management grants	(39,364)		(39,364)
Reduced program enhancement grants	(46,339)		(46,339)
Reduced workforce training grants	(196,500)		(196,500)
Total reductions	(\$2,115,014)	(\$106,750)	(\$2,221,764)
Percentage reduction to ongoing and one-time general fund appropriations	6.25%	100.00%	6.55%

### 2017-19 Executive Budget Changes to the Original and Adjusted Base Budgets

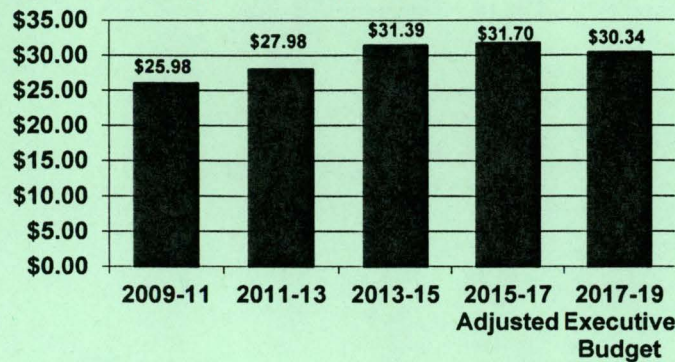
	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
Adds funding for recommended salary and benefit increases	\$89,092	\$0	\$89,092
Reduction of 1 assistant supervisor FTE position	(171,382)	171,382	0
Adjusts other salaries and wages	(54,785)	168,618	113,833
Reduces operating expenses for STEM advancement initiative	0	6,550	6,550
Adjusts operating expenses for desktop support services	0	103,840	103,840
Adjusts other operating expenses	(216,590)	79,449	(137,141)
Adjusts grants, including state-funded grants	(2,477,406)	1,302,972	(1,174,434)
Reduces adult farm management grants	(119,980)	39,364	(80,616)
Reduces program enhancement grants	(120,745)	46,339	(74,406)
Reduces workforce training grants	(400,000)	196,500	(203,500)
Total	(\$3,471,796)	\$2,115,014	(\$1,356,782)

Department 270 - Career and Technical Education

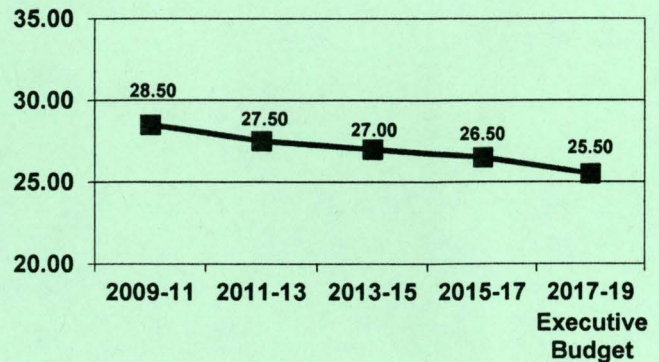
## Historical Appropriations Information

### Ongoing General Fund Appropriations Since 2009-11

Agency Funding (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Executive Budget
Ongoing general fund appropriations	\$25,981,008	\$27,981,679	\$31,392,916	\$31,698,298	\$30,341,516
Increase (decrease) from previous biennium	N/A	\$2,000,671	\$3,411,237	\$305,382	(\$1,356,782)
Percentage increase (decrease) from previous biennium	N/A	7.7%	12.2%	1.0%	(4.3%)
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	7.7%	20.8%	22.0%	16.8%

### Major Increases (Decreases) in Ongoing General Fund Appropriations

#### 2011-13 Biennium

1. Removed 1 programmer analyst II FTE position and related funding (\$107,124)
2. Provided funding to maintain the reimbursement percentage paid to support career and technical education (CTE) programs \$400,000
3. Provided funding for expansion of CTE course offerings \$400,000
4. Provided funding for a new virtual CTE center \$1,000,000
5. Provided funding for increases for an information technology contract for the development of an online annual plan and reimbursement claim process for fiscal affairs \$118,623
6. Decreased funding for professional services for career advisor training and certification (\$92,256)

#### 2013-15 Biennium

1. Provided funding to continue current reimbursement rates \$500,000
2. Provided funding for new and expanded programs, to expand online and interactive video delivery of programs, to develop a pilot program to interactively deliver a CTE program, and to develop a 14-school emerging technology consortium to reduce costs \$1,205,000
3. Provided funding for STEM programs \$150,000
4. Provided funding for the STEM network \$300,000

#### 2015-17 Biennium

1. Added funding to continue Cass County Area Technology Center \$500,000
2. Added funding to increase reimbursement rates and for secondary and postsecondary CTE programs \$700,000
3. Added funding for new and expanding programs to increase course offerings \$700,000
4. Reduced funding for grants, including STEM program grants (\$160,000), STEM network (\$140,000), and other grant adjustments (\$10,436) (\$310,436)
5. Added funding for a STEM advancement initiative (this item was affected by the 2015-17 budget reductions) \$100,000

6. Added funding for desktop support service from the Information Technology Department (this item was affected by the 2015-17 budget reductions) \$103,840

**2017-19 Biennium (Executive Budget Recommendation)**

- 1. Reduces 1 assistant supervisor FTE position \$0
- 2. Reduces funding for grants, including reductions to postsecondary grants (\$74,406), adult farm management grants (\$80,616), workforce training grants (\$203,500), and state-funded grants (\$1,174,434) (\$1,532,956)

#1

**Senate Appropriations  
Testimony on SB 2019/2079**

**Department of Career and Technical Education  
January 4, 2017**

Mr. Chairman and members of the committee, my name is Wayne Kutzer,  
Director of the Department of Career and Technical Education.

The demand for a skilled workforce continues. Our best option to introduce and deliver the skills and training needed, is through Career and Technical Education, at both the secondary and postsecondary levels. We need to continue to provide access to CTE to help meet the educational and workforce infrastructure needs of our state and we need to work closely with business and industry to match up our education and training with the current skills needed. Yes, there are budget concerns that have to be addressed but I will provide you with information and hopefully an option so that as a state, we don't go backwards in providing the support to local schools, the students they serve, and ultimately employers – the business and industry who are still looking for individuals with a wide range of skills in this state.

We have been hearing for some time, thanks to the Foundation Aid Stabilization Fund, that K-12 funding has been and will be kept whole. The fund has done just what it was supposed to do and fill any deficiencies in the per pupil funding to schools. That's not the case for CTE. Although we are part of K-12, we have had to cut funding to schools this current biennium and will have to reduce our funding to schools the next biennium an average of 8% or \$2,609,210 from our original 2015-2017 appropriation. These are dollars that would go to local districts to provide support for their CTE

programming. In this current biennium we had to cut funding to local schools by 5.4% or \$1.3 million, K-12 funding has not been kept whole as far as CTE is concerned.

The opportunity we have is with the passage of Measure 2. It has opened up what the Foundation Aid Stabilization Fund can be used for. It can be used to replace the secondary CTE funds that will be cut. There is a bill in the works that will identify that the Fund is for K-12 funding which could be used to keep CTE funding for schools at pre-cut levels, just as it has done for the per pupil payments to districts.

The other issue before us is our federal Maintenance of Effort. It is part of the Federal Perkins Law that says, in essence, the state must provide at least as much funding for CTE, that it did the year before or lose Federal Perkins Funds, for our state we would stand to lose \$4.2 million annually or \$8.4 million a biennium. Using the proposed budget reductions, we will miss our Maintenance of Effort threshold by \$1,356,782. This has not been an issue for over 20 years, but it is now. More on both of those later.

So that has set the stage. To build CTE's case, let's take a look at the state's workforce and the most recent Job Service North Dakota data. What is the makeup of jobs in this state by level of education? Where is the projected demand through 2024?

The first graph, Percentage of Jobs by Typical Education Level, represents all jobs in North Dakota and how they break down by education level. It shows that 53% - 272,000 of the jobs in our state are in the skills associated with a high school diploma and/or an associate's degree, that is where the jobs are, that's the second and third bar. Skills associated with a bachelor and higher degrees encompass a little less than 19% - 96,000 of the jobs in the state.

While these numbers are North Dakota numbers, this distribution is typical of the labor force across the country. If you look at the top bar, “Less than High School”, it represents 26.4% - 135,000 of the jobs in the state.

CTE’s target occupations are the skill levels that make up the 53% - between a High School Diploma and Associate’s degree. We also impact the skill levels associated with less than high school occupations. We may very well be the last formal education and skill training that they receive. That makes it 79% of the jobs in our state require a skill level that is less than a bachelor’s degree.

The next graph shows the “Projected Total Openings by Education/Training”, the yellow is the growth openings - how many jobs is industry going to create. The blue in each line is the replacement openings. The demands of the labor force follow the makeup of the workforce very closely.

We definitely want to build and empower students with the ability to learn, they will need to do that throughout their career, but we also want students who have the opportunity and are able to earn so they can become part of our economy in the state. The cost of higher education, the staggering student loan debt and the availability of jobs must all play into what we tell our young people as they make educational and career decisions. Simply, there are good jobs, well-paying jobs, available and attainable, that CTE prepares students for, the careers are out there.

Traditionally this is where we find small business owners; people who have taken their craft and created a business, hired employees, and provide services to their community. These small businesses are the majority of businesses in this country and they begin with the technical skills they have learned. We should not discourage students

from seeking further education but we also need to provide them the resources - the career planning and the access to education and training that they need to be successful in our economy. CTE is that resource and students across the state should have continued access to CTE. Reducing funding will have a dampening effect on CTE programming as schools deal with their budget issues also.

Let me talk about CTE and how we operate. In your materials is a listing of our nine-member Board, six appointed by the Governor from six regions across the state and three legislated members. The CTE Board operates much like a school board in that it sets our policies on funding to schools, programming that we support, teacher certification, and our funding priorities. There is also a listing of the Area Career and Technology Centers in your materials. It lists the member schools and the CTE programming they each offer. Area Centers have become an increasingly valuable delivery tool for CTE programming. Much of the increase in accessibility to CTE is due to their efforts.

We have 20,828 high school students enrolled in CTE courses, grades 9–12 and 6,538 of those are classified as Concentrators – those students that have taken two or more credits in a single program pathway. This is 69% of all students enrolled in high school and 39% of these CTE students take multiple courses in any given year. This is where the bulk of our grant funding to schools is targeted. We also support middle school programs, they don't receive funding but there are 16,000 students in grades 6-8 taking courses in Agriculture, Family and Consumer Sciences, and Technology & Engineering. Postsecondary has 10,884 students enrolled in CTE programs at the campuses and 5,430 of those are Concentrators.



The Department of Career and Technical Education provides technical assistance and financial support to CTE programs and teachers across the state. We require industry standards where they are available, assist programs in selecting curriculum that matches those industry standards and we evaluate programs every five years. We also provide technical assistance to middle schools, some elementary programming in STEM and entrepreneurship, as well as all of the public and tribal two year campuses. We evaluate the campuses' CTE programs also on a five-year cycle and certify their CTE instructors. Our responsibility to the two year campuses is through the federal "Carl Perkins" funding we administer.

Every CTE program must provide a student leadership component, a Career and Technical Student Organization (CTSO), FFA, SkillsUSA, DECA, FBLA, FCCLA, TSA. Our staff provide the statewide leadership and coordination. While they may not get as much recognition as they should, CTOSs are a great leadership and motivating factor for students.

At the high school level, we provide technical assistance and funding support for programs in Agriculture, Business Education, Career Development, Career Resource Network, Family and Consumer Sciences, Information Technology Education, Marketing Education, Tech and Engineering, Special Populations/Educational Equity and Trade & Industry and Health Sciences, (T&I). T&I include programs from Auto to Welding, Aviation to Electronics, and Graphic Arts to Culinary Arts and our fastest growing program Health Sciences. The list is on the back side of the Board Member handout.

If we align our spending to what we do, it looks like this:

<b>Total Biennium Budget</b>	<b>\$ 41.1 million</b>	
Secondary – Grades 9-12	22.0 million	66%
Federal	5.5 million	
Elementary / Middle School	.3 million	.7%
2 Year Campuses	3.4 million	15%
Federal	3.0 million	
Adult Farm Management	1.8 million	4.5%
Agency Salary and Operating	4.3 million	14%
Federal	.8 million	

On a percentage basis the funding looks like this: Secondary – 65.7%, Elementary/Middle School - .8%, 2 Year Campuses – 15%, Adult Farm Management – 4.5%, Agency Salary and Operating – 14%. The Agency Salary and Operating line is how we provide the technical assistance and program development – teacher training and alternative certification programs for those coming out of industry.

2015-17 Original Budget and Impact of Special Session

Now is the information that you requested of us. First you asked for the impact of the 6.55% reduction approved at the August Special Session.

I don't have a slide because it would have been impossible to read, so there is a yellow handout which breaks down each line item and the impact on state general funds. Along the right side are the specific adjustments we made. There is a column headed "6.55% Reduction" which shows the impact on each line item. The next column are the actual cuts that were made, followed by the percentage of that cut. On the far right are the itemized adjustments. A total of \$2,221,764 was cut from our budget.

At the bottom of that handout is a statement you requested on Spending and One-Time Funding. We will allocate all funding to schools and it is estimated that \$131,804 will be returned to the general fund from the one time grant “Autism and Technology”.

2017-19 Budget Changes Compared to the Adjusted 2015-17

The green handout compares the adjusted 2015-17 budget to the executive budget changes. The first column is the 2015-17 Adjusted Budget which has been adjusted by the 6.55%. The middle and last column are the Executive Recommendations.

The line items are: Salaries, Operating, and Grants to schools along with specific line item grants for Adult Farm Management, Postsecondary Grants, and Workforce Training.

The Salaries line is determined through the session so I won't go into detail other than to say that your state employees are your most valuable assets. We reduced our FTE count by one, from 26.5 to 25.5 FTE, which is reflected at the bottom of the second and third columns.

The Operating line shows an Executive Budget Recommendation of \$1.2 million, which is a 25% reduction from our 2015-17 original budget.

The Grants line is next, the change to the 2017–19 budget reduced it to \$30,065,856 which represents both state and federal funding. State “Grant” funds go to schools and Area Centers on a reimbursement basis, based on a portion of the local costs of the CTE programs that schools offer, while federal “Grant” funding is allocated to schools, based on Title I census data, and two year colleges based on the number of Pell Grants.

The state funding is both an incentive for schools to offer quality CTE programming and helps to offset the higher cost of operating a CTE program. Those rates for the 2017-19 biennium will drop from 27% to 25% at local school districts and 40% to 37% at Area Centers. Area Centers are funded at a higher rate to incentivize cooperation between schools which means more access to more programs, ...programs that a school is not able to provide on their own.

The Grant funds also provide incentives to schools who offer CTE programs, either through interactive video (ITV) or online, to their neighbor school down the road or across the state. We provide an additional 4% for each school that they send their CTE program to.

Through these incentives, the accessibility of CTE courses has increased. In the 2016-17 school year there were 80 schools participating in 37 different CTE courses delivered through interactive video (ITV) and 65 schools participating in 27 different online CTE courses, serving a total enrollment of 1,013 students. These numbers reflect an increase over previous years. The bottom half of this slide shows the growth that has occurred in distance delivered CTE courses since 2009.

While these are good numbers there is still access and availability problems in many local schools to offer a variety of CTE programs. The North Dakota CTE Scholarship requires that students take four CTE credits and two or more credits in a single pathway to qualify. We want to expand the offerings a student has available. As a state we require students, before they leave the eighth grade, to make a four-year education plan based on their goals and interests but, if as a state, we cannot make those classes of interest available, we are missing a great opportunity for student learning and

student engagement. To get an idea of the courses offered, there is a gold handout in your materials that lists all the distance delivered CTE courses, the number of students enrolled, and frequency of the courses.

The overall availability of CTE courses has also grown. This slide shows the growth in the number of schools that have these courses available for their students.

Back to our budget. The next line item is Farm Management. Our base is \$660,438 and the Executive Recommendation is \$579,822. We have 13 programs across the state that work with 1,002 farmers and ranchers in 602 farming and ranching operations to provide them the education they need to better manage their operations. As a part of this program, a statewide analysis of their records is completed that provides insight not only for the individual farmers and ranchers in the program but also for statewide use by the banking industry, extension service, and policy makers supporting those farm and ranch operations. In 2016 Farm Management partnered with the Department of Agriculture to assist in providing Ag Mediation Services. Due to commodity prices, it is anticipated that more farmers will be facing financial difficulties and this partnership will enable the two agencies to share resources and not have to add additional staffing to meet the expected increase in demand for these services.

The Postsecondary Grants base is \$661,113 and the Executive Recommendation put it at \$586,707. These funds are equally split between each of the five two year campuses for help in starting new CTE programs and providing instructor training and mentoring to new CTE instructors coming directly out of industry.

The final line item is Workforce Training. The base budget is \$2.8 million and was further reduced to \$2.6 million in funding for the Workforce Training regions,

known as TrainND. It is allocated to the two-year campuses in each of the four regions based on the number of employees in the region. There are representatives from the Workforce Training Regions here to update you on their activities.

To complete the column, under “Funding Source” it shows our source of funding is a 76% state and 24% federal funding split.

Traditionally CTE programs are higher cost and they are elective courses which suffer more when overall school funds are limited. Our priority is to maintain reimbursement rates to schools to precut levels.

2017-19 One-Time Needs

In the middle of that same green handout it states that CTE has no one-time funding needs for the 2017-19 biennium.

2017-19 Federal Funding

We were asked to talk about any changes to federal funding and that is at the bottom of the same green handout. Earlier I mentioned Maintenance of Effort, which is part of our federal Perkins Law. We have the potential to lose all of our \$8.4 million if the state does not maintain at least the same level of funding as the year before. When we look at the proposed general fund amount we will be \$1,356,782 short of meeting our Maintenance of Effort.

General Fund Expenditures

<u>Biennium</u>	<u>Expended</u>	<u>Under MOE</u>
2013-2015	\$30,777,747	-
2015-2017	\$31,413,298	-
2017-2019	\$30,056,516	- \$1,356,782

Here is the exact wording of the Section:

§403.182 “The Secretary may not make a payment under the Act to a State for any fiscal year unless the Secretary determines that the fiscal effort per student, or the aggregate expenditures of that State, from State sources, for vocational education for the fiscal year (or program year) preceding the fiscal year (or program year) for which the determination is made, at least equaled its effort or expenditures for vocational education for the second preceding fiscal year (or program year). (Authority: 20 U.S.C. 2463(a))”

Besides the Maintenance of Effort issue we do not anticipate any changes to our federal funding for the biennium.

List of Proposed Budget Reductions to meet the 10% Governor’s Request

The blue handout, as requested, is a listing of the 10% reductions, as we submitted them. For a total reduction of \$3,530,664.

Comparison of Optional Adjustment to those included in the Executive Recommendation

You requested a comparison of our optional requests to those included in the Executive Recommendation and an itemized list of any changes we would request that you make to the Executive Recommendation. That is on the purple handout “CTE’s Itemized Change Requests”. None of our optional requests were included in the Executive Recommendation.

Mr. Chairman and members of the committee the final handout is our “2017–2019 Budget Comparison and Request” – our ask sheet.

Our one request, our “Ask” of the committee, on the buff handout, is to restore the \$2,609,210 that was removed from our Grants line item. That is our grants to secondary schools. As I mentioned earlier, the passage of Measure 2 opened up the Foundation Stabilization Fund, it provides an opportunity to make our Grants line – our funding to

K-12 schools – whole without directly impacting the State General Fund. It also will satisfy our Maintenance of Effort requirement that will ensure the continued receipt of \$8.4 million in Perkins funding going out to our districts.

The workforce data shows the need to enhance and provide greater access to CTE programming. CTE programs are traditionally high cost for schools to operate – more equipment, larger facilities, smaller teacher to student ratios, and they are elective which makes them more vulnerable to being cut in tight budget times. The benefit of CTE programming is that it keeps students engaged in their learning, for some it keeps them in school, they graduate at a higher level, and provides a foundation for their future career and educational goals.

The challenge our agency faces is how we help schools provide these CTE opportunities to all students. The funding request in this budget targets the Foundation Stabilization Fund to keep CTE funding to local school level and it will also solve our Maintenance of Effort issue which will keep \$8.4 million dollars of federal funding coming to our state.

We believe in the benefits that CTE programming brings to students. CTE students are building the academic and technical skills as well as the career skills to be successful in life and in their career. The budget request before you will help us maintain funding.

Mr. Chairman and members of the committee, thank you for the opportunity to talk about CTE and I would be glad to answer any questions that you may have.



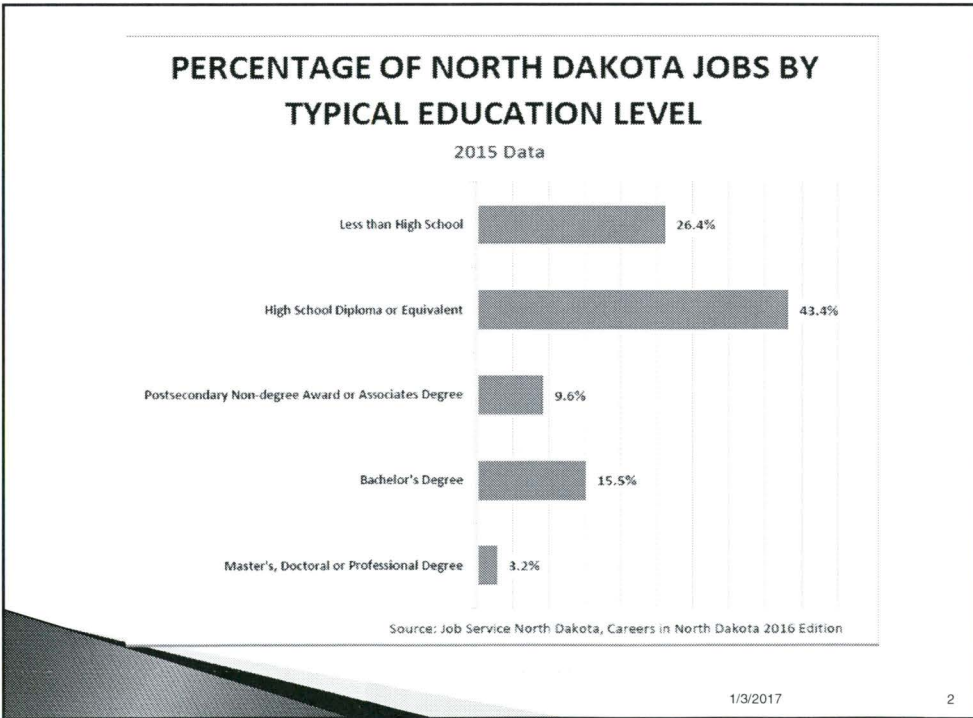
North Dakota  
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Career and Technical  
Education

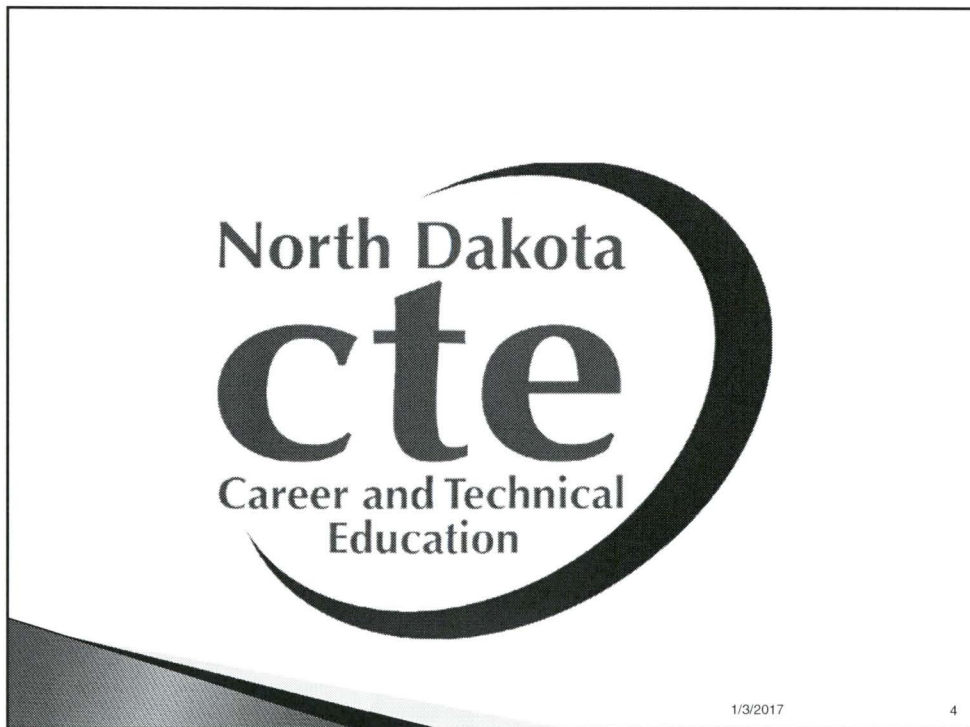
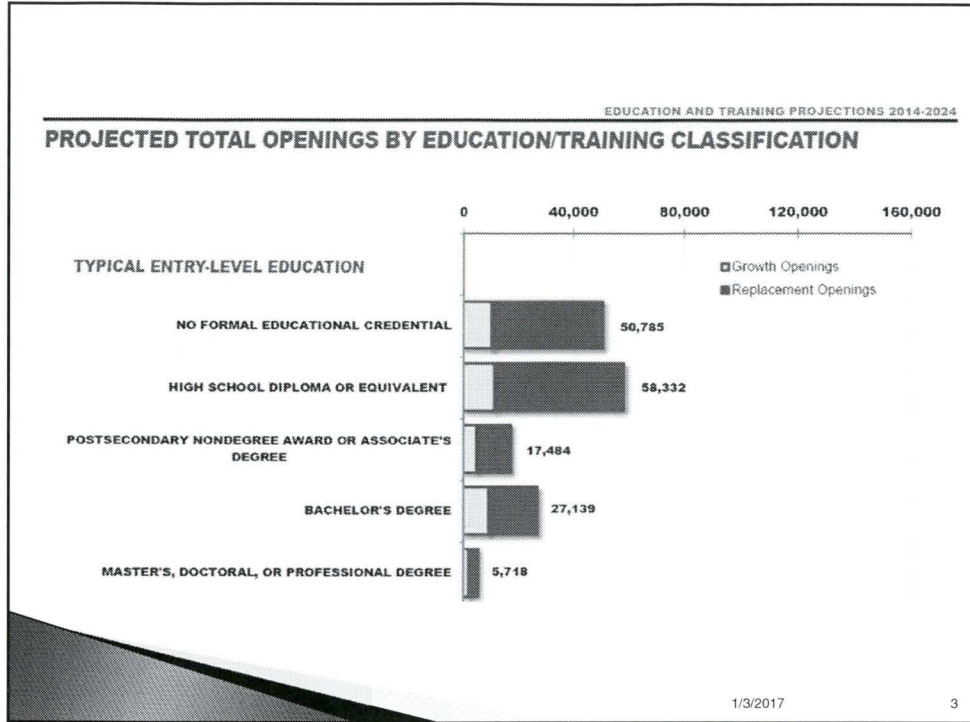
January 4, 2017  
Senate Appropriations

2017 - 2019 Biennium Budget Presentation

North Dakota Department of  
Career and Technical Education

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## CTE Enrollment

- ▶ Secondary (9-12)
  - 20,828 Enrolled
  - 6,538 Concentrators
    - 69% of students enrolled in CTE
    - 39% of CTE students take multiple CTE courses
  - (16,242 Grades 6 - 8 Agriculture, FACS, Tech & Engineering)
  
- ▶ Postsecondary
  - 10,884 Enrolled
  - 5,430 Concentrators

1/3/2017

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## Department of Career and Technical Education

- ▶ Technical Assistance
  - Programs
    - Industry Standards
    - Curriculum suggestions
    - Funding
    - Program Evaluations (5 year cycle)
  - Teachers
    - Certification – traditional and alternative
    - Professional Development
  - Career and Technical Student Organizations
    - Leadership and coordination

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## Program Areas

Agriculture Education  
Business Education  
Career Development  
Career Resource Network  
Family and Consumer Sciences Education  
Information Technology Education  
Marketing Education  
Special Populations/Educational Equity  
Technology and Engineering Education  
Trade, Industry and Health Sciences (T&I)

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## Secondary Trade, Technical & Health Sciences (T&I)

- ▶ Auto Collision
- ▶ Auto Technology
- ▶ Aviation
- ▶ Commercial Art
- ▶ Construction Tech
- ▶ Culinary Arts
- ▶ Diesel Technology
- ▶ Drafting
- ▶ Electronics Tech
- ▶ Facilities Maintenance
- ▶ Graphic Arts
- ▶ Health Sciences
- ▶ Machine Tooling
- ▶ Oil & Gas Tech
- ▶ Recreational Engines
- ▶ Welding Technology

1/3/2017

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## CTE Funding by Function

<b>Total Biennium Budget</b>	<b>\$39.9 million</b>	
Secondary - Grades 9-12	20.7 million	
Federal	5.5 million	65.7%
Elementary / Middle School	.3 million	.8%
2-yr Campuses	3.0 million	
Federal	3.0 million	15%
Adult Farm Management	1.8 million	4.5%
Agency Salary & Operating	4.8 million	
Federal	.8 million	14%

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	2015-17 Adjusted Budget	Executive Recommendations	Executive Budget
<b>LINE ITEMS</b>			
Salaries and Wages	4,763,504	121,704	4,885,208
Accrued Leave Payments	-	-	-
Operating Expenses	1,267,340	(26,751)	1,240,589
Grants	31,240,290	(1,174,434)	30,065,856
Adult Farm Management	660,438	(80,616)	579,822
Postsecondary Grants	661,113	(74,406)	586,707
Workforce Training	2,803,500	(203,500)	2,600,000
<b>Total Line Items</b>	<b>41,396,185</b>	<b>(1,438,003)</b>	<b>39,958,182</b>
<b>FUNDING SOURCE</b>			
General Fund	31,698,298	(1,438,003)	30,341,516
Federal Funds	9,697,887	(81,221)	9,461,692
Special Funds	-	-	154,974
	<b>41,396,185</b>	<b>(1,356,782)</b>	<b>39,958,182</b>
FTE	26.5	(1.0)	25.5

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## Funding to Schools

- ▶ CTE Reimburses
  - ~~27%~~ 25% on CTE teacher salary
  - ~~40%~~ 37% at Area Centers
  - 4% Incentive for Online and ITV

## Distance Delivered CTE Programming

- 2017
  - 80 districts ITV
    - 37 courses – 123 sections – 463 students
  - 65 districts Online
    - 27 courses – 186 sections – 550 students
  - IT, FACS, T&I, Marketing, Health Sciences, Ag, and Business
  - 1,013 Students
  
- 2009
  - 42 districts ITV
    - 19 courses – 85 sections – 330 students
  - 8 districts Online
    - 3 courses – 8 sections – 25 students
  - IT, FACS, T&I, Marketing, Health Sciences, Ag, and Business

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## Secondary CTE Program Availability

Program	2009	2016
Agriculture Education	85	109
Business Education	74	85
Family and Consumer Sciences	129	127
Technology & Engineering Education	77	73
Marketing Education	42	89
Information Technology Education	70	93
Career Development	105	110
Trade, Technical & Health Sciences	83	128

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## Trade, Technical & Health Sciences Availability in Districts

Program	2009	2016	Program	2009	2016
Auto Collision	4	6	Facilities Maintenance	3	2
Auto Technology	18	53	Health Sciences	47	116
Aviation Technology	1	43	Medical Term.	4	30
Graphic Communication	5	35	EMT	10	14
Construction Technology	26	64	Machine Tooling	2	10
Culinary Arts	2	11	Power Sports	4	3
Drafting	12	1	Welding Technologies	16	67
Electronics	2	41			

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LINE ITEMS	2015-17 Adjusted Budget	Executive Recommendations	Executive Budget
Salaries and Wages	4,763,504	121,704	4,885,208
Accrued Leave Payments	-	-	-
Operating Expenses	1,267,340	(26,751)	1,240,589
Grants	31,240,290	(1,174,434)	30,065,856
Adult Farm Management	660,438	(80,616)	579,822
Postsecondary Grants	661,113	(74,406)	586,707
Workforce Training	2,803,500	(203,500)	2,600,000
<b>Total Line Items</b>	<b>41,396,185</b>	<b>(1,438,003)</b>	<b>39,958,182</b>
<b>FUNDING SOURCE</b>			
General Fund	31,698,298	(1,438,003)	30,341,516
Federal Funds	9,697,887	(81,221)	9,461,692
Special Funds	-	-	154,974
	<b>41,396,185</b>	<b>(1,356,782)</b>	<b>39,958,182</b>
FTE	26.5	(1.0)	25.5

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## Federal "Maintenance of Effort"

Biennium	Expended	Under MOE
2013 - 2015	\$30,777,747	-
2015 - 2017	\$31,413,298	-
2017 - 2019	\$30,056,516	-\$1,356,782

### Utilization of Perkins Funding

Local Schools & Campuses	\$7,165,366
Agency Leadership	\$384,476
Agency Administration	\$880,000
Total Potential Loss	\$8,429,842

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### Governor's 90% Request Guidelines

Salaries - 1 FTE & Transition Adjustments		\$307,389
Operating Expenses		\$323,340
Travel	56,000	
Professional Development	30,000	
Professional Services	30,000	
Printing, Paper, Supplies	20,000	
Office Supplies	32,000	
Train & Certification	20,000	
Phone	5,000	
ITD - desktop	130,340	
Grants to Schools		\$2,459,210
Secondary Grants	2,117,710	
STEM, Matching and Infusion Grants	35,000	
Emerging Technology	198,500	
Innovation and Distance Delivery Grants	27,000	
Technical Assessments	25,000	
Elementary Entrepreneurship	30,000	
Teacher Professional Development	20,000	
PT Adult	6,000	
Adult Farm Management		\$70,745
Postsecondary Grants		\$69,980
Workforce Training		\$300,000
Total Budget Reductions		\$3,530,664

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### Itemized Change Requests Executive Recommendation

▶ Restore Grants Line		<b>\$2,609,210</b>
◦ Secondary Grant	2,267,710	
◦ STEM	35,000	
◦ Emerging Tech	198,500	
◦ Innovation Grants	27,000	
◦ Technical Assessments	25,000	
◦ Elementary Entrep.	30,000	
◦ Teacher Prof. Dev.	20,000	
◦ PT Adult	6,000	

### 2017–2019 Biennium Budget Request Department of Career and Technical Education

Restore School Funding to 100% **\$2,609,210**

Restoring school funding will:

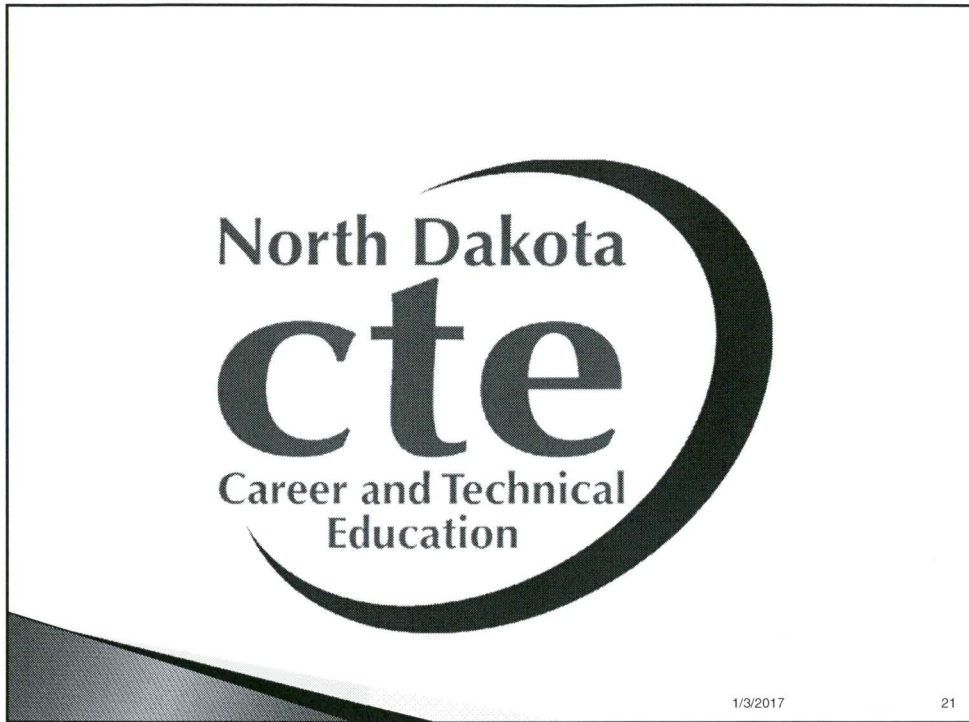
- Keep reimbursement percentages at pre-cut levels
  - 27% at School District (25% with cuts)
  - 40% at Area Centers (37% with cuts)

- Avoid "Maintenance of Effort"  
trigger on federal funding


**\$1,356,782**

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Questions?



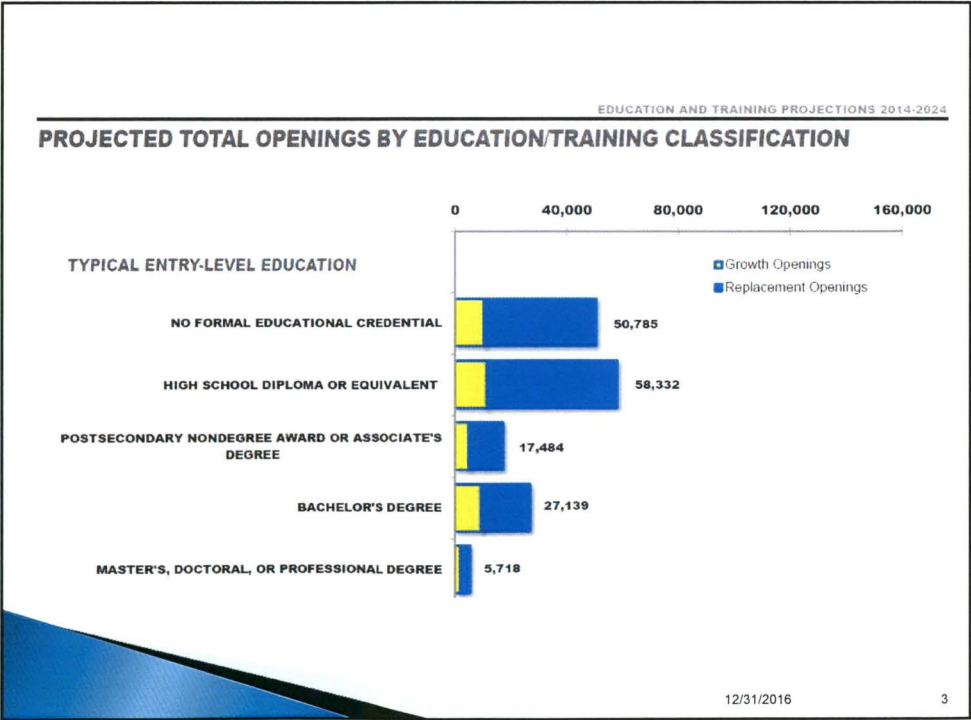
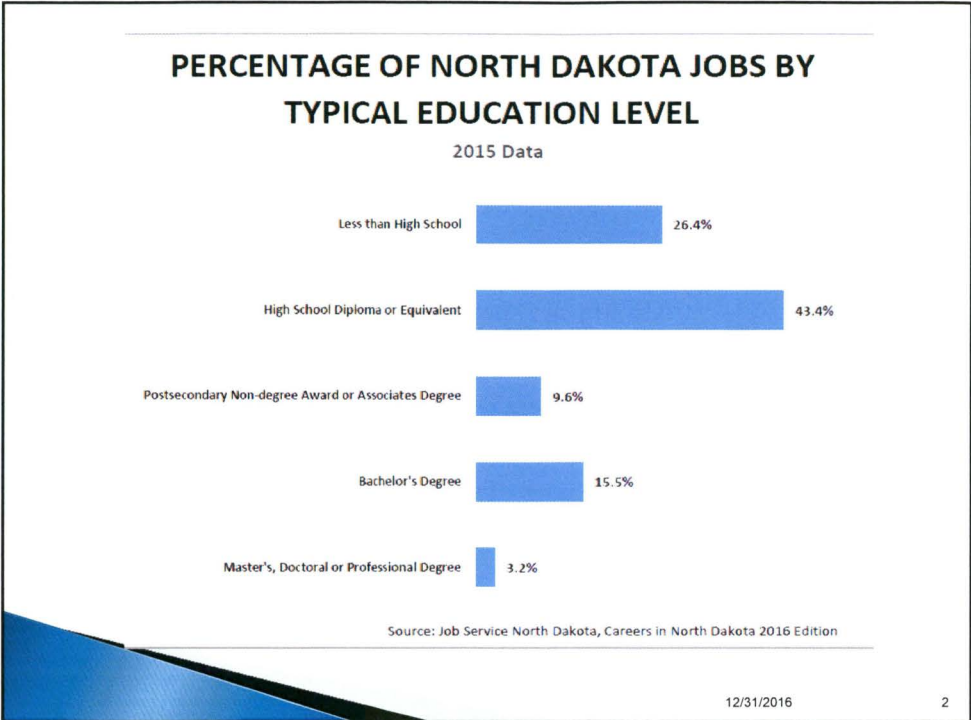
Wayne Kutzer  
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701-328-2259

Website [www.nd.gov/cte](http://www.nd.gov/cte)

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**NORTH DAKOTA STATE BOARD FOR  
CAREER AND TECHNICAL EDUCATION**

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701-328-3180

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## CTE Program Areas

Agriculture Education

Business Education

Career Development

Career Resource Network

Family and Consumer Sciences

Information Technology

Marketing Education

Special Populations

Technology and Engineering Education

Trade, Industry and Health Sciences (T&I)

Auto Collision

Auto Technology

Aviation

Commercial Art

Construction Tech

Culinary Arts

Diesel Technology

Drafting

Electronics

Facilities Maintenance

Graphic Arts

Health Sciences

Machine Tooling

Oil Production Technology

Recreational Engines

Welding Technology

**Area Career and Technology Centers  
Member Districts (97)  
Programs Offered  
2016-2017**

**Cass County Area Career & Technology Center (Virtual)**

Central Cass, Fargo, Northern Cass, West Fargo

PROGRAMS: Aviation Technology, Agriculture, Health Science, Welding Technology, Diesel Technology, Automated Manufacturing

**Grand Forks Area Career & Technology Center (Virtual)**

Central Valley, Grand Forks, Hatton, Hillsboro, Larimore, May-Port CG, Northwood, Thompson

PROGRAMS: Health Sciences, Information Technology, Automotive Technology, Agriculture, Aviation Technology

**James Valley Area Career & Technology Center - Jamestown**

Jamestown, Montpelier, Pingree-Buchanan

PROGRAMS: Agriculture, Business Education, Career Development, Childcare, Health Sciences, Information Technology, Marketing, Machining Technology, Automotive Collision, Automotive Technology

**Lake Area Career & Technology Center -Devils Lake**

Devils Lake High School, Maddock, Minnewaukan, Munich, School for the Deaf, Starkweather

PROGRAMS: Automotive Technology, Business Education, Career Development, Culinary Arts, Construction Technology Childcare, Information Technology Health Sciences, Marketing, Special Populations, Welding Technology,

**Missouri River Area Career & Technology Center (Virtual)**

Ashley, Beulah, Bismarck, Center-Stanton, Elgin-New Leipzig, Flasher, Garrison, Goodrich, Hazen, HMB (Hazelton, Moffit, Braddock), Kidder County, Linton, Mandan, McClusky, Napoleon, New Salem, Selfridge, Solen-Cannonball, Standing Rock, Strasburg, Turtle Lake-Mercer, Underwood, Washburn, White Shield, Wilton, Wing, Wishek, Zeeland

PROGRAMS: Health Sciences, Information Technology, Marketing, Electronics Technology, Welding Technology, Aviation Technology

**North Central Area Career & Technology Center (Virtual)**

Bottineau, Drake, Dunseith, Harvey, MLS (Mohall, Lansford, Sherwood), New Rockford, Rugby, St John, Sawyer, TGU (Towner, Granville, Upham), Velva, Westhope

PROGRAMS: Health Sciences, Welding Technology, Construction Technology

**North Valley Area Career & Technology Center- Grafton**

Drayton, Grafton, Inkster (Midway), Park River, St. Thomas, Valley-Edinburg

PROGRAMS: Agriculture, Business Education, Career Development, Health Sciences, Marketing, Machining Technology, Welding Technology, Automotive Technology, Construction Technology

**Roughrider Area Career and Technology Center (Virtual)**

Beach, Belfield, Dickinson, Glen Ullin, Hebron, Hettinger, Killdeer, Mott-Regent, New England, Richardton-Taylor, Scranton, South Heart

PROGRAMS: Agriculture, Welding Technology, Business Education, Career Development, Health Sciences, Information Technology, Marketing

**Sheyenne Valley Area Career and Technology Center – Valley City**

Barnes County North at Wimbledon, Maple Valley-Tower City, Valley City

PROGRAMS: Construction Technology, Automotive Technology, Career Development, Health Sciences, Information Technology, Welding Technology, Commercial Art,

**Southeast Region Career & Technology Center - Wahpeton and Oakes**

Campbell-Tintah, Ellendale, Fairmount, Hankinson, Lidgerwood, Lisbon, Oakes, Richland-Colfax, Sargent Central, Wahpeton, Wyndmere

PROGRAMS: Agriculture, Childcare, Marketing, Video Production, Automotive Technology, Health Sciences, Restaurant Management, Construction Technology, Career Development, Technology and Engineering,

**Western Star Area CTC (Virtual)**

Alexander, Trenton, Watford City, Williston

PROGRAMS: Automotive Technology, Construction Technology, Health Sciences, Welding Technology, Agriculture



**DEPARTMENT OF CAREER AND TECHNICAL EDUCATION**  
**APPROPRIATION STATUS REPORT**  
**6.55% Budget Reduction Worksheet - Both Allotments**  
**2015 - 2017 Biennium**

		APPROPRIATION	% of Budget	6.55% Reduction	Actual Reduction	% of Total Cut	BALANCE OF APPROPRIATION		
<b>FUNDS BY LINE ITEM</b>									
<b>SALARIES AND WAGES</b>									
	State	\$4,404,683	13.0%	\$288,507	\$340,000	15.3%	\$4,064,683	<b>Salaries:</b>	
	Federal & Other	\$698,821						STEM	180,000
	<b>Total</b>	<b>\$5,103,504</b>						Bus Ed - 4 months	35,000
								FACS	125,000
<b>OPERATING EXPENSES</b>									
	State	\$871,699	2.6%	\$57,096	\$296,590	13.3%	\$575,109	<b>Operating</b>	
	Federal & Other	\$692,230						Desktop Support	210,590
	<b>Total</b>	<b>\$1,563,929</b>						Travel	35,000
								Supplies and Printing	19,000
								Prof Services	2,500
								Operating Fees	2,500
								Train & Certification	11,000
								Nonstate Travel	6,000
								Dues & Pro Dev	10,000
<b>GRANTS</b>									
	State	\$24,236,425	71.5%	\$1,587,486	\$1,302,972	58.6%	\$22,933,453	<b>Grants:</b>	
	Federal & Other	\$8,438,641			Grants \$343,500			New Area Centers	100,000
	<b>Total</b>	<b>\$32,675,066</b>			<b>\$959,472</b>			Emerging Technology	198,500
								Prof. Development	20,000
								Technical Assessment	25,000
<b>GRANTS POST SECONDARY</b>									
	State	\$707,452	2.1%	\$46,338	\$46,338	2.1%	\$661,114		
	Federal & Other	\$0							
	<b>Total</b>	<b>\$707,452</b>							
<b>ADULT FARM MANAGEMENT</b>									
	State	\$699,802	2.1%	\$45,837	\$39,364	1.8%	\$660,438		
	Federal & Other	\$0			(2% reduction in rate)				
	<b>Total</b>	<b>\$699,802</b>							
<b>WORKFORCE TRAINING</b>									
	State	\$3,000,000	8.8%	\$196,500	\$196,500	8.8%	\$2,803,500		
	Federal & Other	\$0							
	<b>Total</b>	<b>\$3,000,000</b>							
			<b>Total</b>	<b>\$2,221,764</b>	<b>\$2,221,764</b>				
<b>FUNDS BY SOURCE</b>									
	GENERAL FUND	\$33,920,062	77.5%	\$2,221,764	6.55%	100%	\$31,698,298	76.3%	
	FEDERAL FUND	\$9,542,913	21.8%				\$9,542,913	23.0%	
	SPECIAL FUND	\$286,778	0.7%				\$286,778	0.7%	
<b>TOTAL</b>		<b>\$43,749,753</b>		<b>\$2,221,764</b>	<b>\$2,221,764</b>		<b>\$41,527,989</b>		
			4.05%	\$1,373,763					
			2.50%	\$848,001					

**2015-17 Spending and One-Time Funding**

All funds will be allocated to local districts. A one-time grant "Technology and Autism" is estimated to return \$131,804 to General Fund

**State Board for Career and Technical Education**  
**Compare Adjusted 2015-2017 to 2017-2019 Biennium Budget**

	2015-17 Adjusted Budget	Executive Recommendations	Executive Budget	Optional Request
<b>LINE ITEMS</b>				
Salaries and Wages	4,763,504	121,704	4,885,208	-
Accrued Leave Payments	-	-		
Operating Expenses	1,267,340	(26,751)	1,240,589	-
Grants	31,240,290	(1,174,434)	30,065,856	2,609,210
Adult Farm Management	660,438	(80,616)	579,822	-
Postsecondary Grants	661,113	(74,406)	586,707	-
Workforce Training	2,803,500	(203,500)	2,600,000	-
<b>Total Line Items</b>	<b>41,396,185</b>	<b>(1,438,003)</b>	<b>39,958,182</b>	<b>2,609,210</b>
<b>FUNDING SOURCE</b>				
General Fund	31,698,298	(1,438,003)	30,341,516	2,609,210
Federal Funds	9,697,887	(81,221)	9,461,692	
Special Funds	-	-	154,974	
<b>Total Funding Source</b>	<b>41,396,185</b>	<b>(1,356,782)</b>	<b>39,958,182</b>	<b>2,609,210</b>
<b>FTE</b>		<b>(1.0)</b>	<b>(1.0)</b>	

CTE has no one-time funding needs for 2017-2019

**Federal Funding 2017-2019:**

**History of General Fund Expenditures**

Biennium	Expended	Under MOE
2013-2015	\$30,777,747	-
2015-2017	\$31,413,298	-
2017-2019	\$30,056,516	-\$1,356,782

Perkins "Maintenance of Effort" will be a factor if state funding level is not met

**Reduction in funding:**

Local schools and campuses	\$7,165,366
Agency Leadership	\$384,476
Agency Operating	\$880,000
<b>Total potential loss</b>	<b>\$8,429,842</b>

No other reductions in CTE's federal "Perkins" funding for 2017-2019 are anticipated

# ND Department of Career and Technical Education

## Cooperative Arrangements

### ITV 2015-2016

Updated 9/16

<u>Transmitting School (ITV)</u>	<u>Receiving School</u>	<u>Course</u>		<u>Students Enrolled</u>
		<u>Code</u>	<u>CTE Programs</u>	
Drake	Carrington	14012	Accounting III	4
		14013	Accounting IV	2
	Towner-Granville-Upham	14012	Accounting III	1
		14013	Accounting IV	1
Grand Forks Area CTC	Central High School	01012	Foundations of Agriculture	2
	Central Valley	17812	Aviation Technology I	4
	May-Port CG	01012	Foundations of Agriculture	3
		01011	Introduction to Agriculture	11
Great Northwest Area CTC	Mandaree	07033	Health Careers I	7
		07034	Prevention/Care of Athletic Injuries	1
	Ray	07034	Prevention/Care of Athletic Injuries	1
	Watford City	07034	Prevention/Care of Athletic Injuries	1
Lake Area CTC	Maddock	14010	Accounting I	1
		14011	Accounting II	1
		14025	Spreadsheets	11
		14096	Word Processing	11
LaMoure	Ellendale	01066	Small Animal Care	4
		01067	Veterinary Science	4
	Litchville-Marion	01066	Small Animal Care	8
		01067	Veterinary Science	8
	New Rockford	01066	Small Animal Care	8
		01067	Veterinary Science	8
	Scranton	01066	Small Animal Care	3
		01067	Veterinary Science	3
Leeds	Litchville-Marion	09026	Child Development	1
	Ray	09026	Child Development	2
Missouri River Area CTC	Berthold	07033	Health Careers I	5
	Bowbells	07033	Health Careers I	1
	Garrison	07033	Health Careers I	3
	Kenmare	07033	Health Careers I	3
	Killdeer	07033	Health Careers I	6
	Max	07033	Health Careers I	4
	Napoleon	07033	Health Careers I	6
	Wilton	07033	Health Careers I	10
North Central Area CTC	Berthold	07034	Prevention/Care of Athletic Injuries	4
	Center	07045	Emergency Medical Services	1
	Des Lacs	07033	Health Careers I	10
	Killdeer	07045	Emergency Medical Services	4
	LaMoure	07033	Health Careers I	1
	Litchville-Marion	07033	Health Careers I	2
	Max	07045	Emergency Medical Services	3
	Midkota	07034	Prevention/Care of Athletic Injuries	2
	Montpelier	07045	Emergency Medical Services	5
	Scranton	07034	Prevention/Care of Athletic Injuries	2
	Stanley	07033	Health Careers I	6
	Surrey	07045	Emergency Medical Services	2
		07033	Health Careers I	9

<u>Transmitting School (ITV)</u>	<u>Receiving School</u>	<u>Course Code</u>	<u>CTE Programs</u>	<u>Students Enrolled</u>	
North Valley Area CTC	Cavalier	04240	Sports & Entertainment Marketing	1	
		17236	Welding Technology I	6	
	Divide County	17236	Welding Technology I	1	
	Fordville-Lankin	17236	Welding Technology I	5	
	North Border - Pembina	04111	Entrepreneurship	3	
	North Border - Walhalla	07033	Health Careers I	2	
		07036	Medical Terminology	2	
		04240	Sports & Entertainment Marketing	3	
		17236	Welding Technology I	5	
	Park River	04111	Entrepreneurship	1	
		17236	Welding Technology I	1	
		07033	Health Careers I	1	
	St. Thomas	07036	Medical Terminology	1	
	Valley-Edinburg	04111	Entrepreneurship	3	
		07033	Health Careers I	5	
		04240	Sports & Entertainment Marketing	3	
	Roughrider Area CTC	Belfield	01073	Agriculture III	1
01061			Livestock Production	8	
Hazelton-Moffit-Braddock		01061	Livestock Production	3	
		01063	Natural/Environmental Resources	3	
Richardton-Taylor		14010	Accounting I	7	
		14011	Accounting II	7	
Underwood		01073	Agriculture III	3	
Wilton		01073	Agriculture III	1	
Sheyenne Valley Area CTC		Central Cass	27266	CCNA Introduction to Networks	4
			27267	CCNA Routing & Switching Essentials	1
	27219		Computer Hardware & Operating Systems	1	
	27280		Introduction to Cybersecurity	4	
	27122		Programming Essentials-Visual Basics	2	
	Central Valley	17072	Commercial Art I	4	
	Finley-Sharon	17072	Commercial Art I	5	
	Fordville-Lankin	27122	Programming Essentials-Visual Basics	1	
		07033	Health Careers I	5	
	Hope-Page	27219	Computer Hardware & Operating Systems	2	
		27122	Programming Essentials-Visual Basics	1	
		07033	Health Careers I	5	
	Larimore	27219	Computer Hardware & Operating Systems	1	
	Litchville-Marion	27267	CCNA Routing & Switching Essentials	1	
	Maple Valley	27267	CCNA Routing & Switching Essentials	1	
	Midway	27219	Computer Hardware & Operating Systems	6	
		27266	CCNA Introduction to Networks	1	
	Minto	07033	Health Careers I	1	
		07036	Medical Terminology	2	
		27122	Programming Essentials-Visual Basics	1	
		27219	Computer Hardware & Operating Systems	2	
	Thompson	07033	Health Careers I	6	
Southeast Area Region CTC	Fairmount	07046	Advanced EMS	2	
		07045	Emergency Medical Services	5	
	Hankinson	01021	Agriscience Technology I	4	
		07045	Emergency Medical Services	1	
		07033	Health Careers I	9	
	Lidgerwood	04240	Sports & Entertainment Marketing	11	
		07033	Health Careers I	6	
		04240	Sports & Entertainment Marketing	4	
		07035	Advanced Health Careers	1	
	Milnor	07045	Emergency Medical Services	2	
		04235	Social Media Marketing	5	
		04240	Sports & Entertainment Marketing	4	

<u>Transmitting School (ITV)</u>	<u>Receiving School</u>	<u>Course Code</u>	<u>CTE Programs</u>	<u>Students Enrolled</u>	
Southeast Area Region CTC	North Sargent	10260	3D Modeling & Design	6	
		07046	Advanced EMS	1	
		10259	Design/Drafting	6	
	Richland-Colfax	01021	Agriscience Technology I	6	
		07033	Health Careers I	13	
		10260	3D Modeling & Design	3	
	Sargent Central	10259	Design/Drafting	3	
		07045	Emergency Medical Services	7	
		04011	Entrepreneurship	4	
		07033	Health Careers I	3	
		04235	Social Media Marketing	4	
		10260	3D Modeling & Design	3	
	Wahpeton	10259	Design/Drafting	3	
		07045	Emergency Medical Services	5	
		04011	Entrepreneurship	3	
		04235	Social Media Marketing	2	
		07045	Emergency Medical Services	4	
	Wyndmere				
	<b>12</b>		<b>68</b>		<b>37 463</b>

3D Modeling & Design - 12  
Accounting I - 8  
Accounting II - 8  
Accounting III - 5  
Accounting IV - 3  
Advanced EMS - 3  
Advanced Health Careers - 1  
Agriculture III - 5  
Agriscience Technology I - 10  
Agriscience Technology I - 4  
CCNA Introduction to Networks - 5  
CCNA Routing & Switching - 3

Child Development - 3  
Commercial Art I - 9  
Computer Hardware - 12  
Design/Drafting - 12  
Emergency Medical Services - 39  
Entrepreneurship - 14  
Foundations of Agriculture - 5  
Health Careers I - 129  
Introduction to Agriculture - 11  
Introduction to Cybersecurity - 4  
Livestock Production - 11

Medical Terminology - 5  
Natural/Environmental Resources - 3  
Prevention/Care of Athletic Injuries - 11  
Programming Essentials - 5  
Small Animal Care - 23  
Social Media Marketing - 11  
Sports & Entertainment Marketing - 26  
Spreadsheets - 11  
Veterinary Science - 23  
Welding Technology I - 18  
Word Processing - 11

**ND Department of Career and Technical Education  
Cooperative Arrangements  
School Districts Online Programs 2015-2016**

Updated 9/16

<u>Transmitting School</u> <u>(On-Line)</u>	<u>Receiving School</u>	<u>Course Code</u>	<u>CTE Programs</u>	<u>Students Enrolled</u>		
Grand Forks Area CTC	Central High School	07036	Medical Terminology	8		
	Central Valley Public School	07032	Nurse Assistant	2		
	Community High School	07032	Nurse Assistant	5		
	Hatton		07036	Medical Terminology	2	
			07032	Nurse Assistant	2	
			27122	Programming Essentials-Visual Basics	1	
	Hillsboro	07036	Medical Terminology	11		
	Larimore		07032	Nurse Assistant	7	
			07036	Medical Terminology	9	
	May-Port CG		07032	Nurse Assistant	4	
			27122	Programming Essentials-Visual Basics	5	
	Northwood Public School		07036	Medical Terminology	3	
			07032	Nurse Assistant	3	
	Red River High School		07036	Medical Terminology	16	
		Thompson	07036	Medical Terminology	8	
			07032	Nurse Assistant	5	
			27122	Programming Essentials-Visual Basics	2	
	Drake Area CTC	Starkweather	09213	Food Service/Culinary Arts	2	
	Missouri River Area CTC	Ashley	17072	Commercial Art I	1	
			27219	Computer Hardware & Operating Systems	1	
09132			Family Living	2		
09025			Independent Living	3		
27101			Introduction to Information Technology	1		
07036			Medical Terminology	1		
10610			STEM Seminar (Tech Ed)	3		
Beulah			17812	Aviation Technology I	1	
			17072	Commercial Art I	1	
			10610	STEM Seminar (Tech Ed)	2	
Bismarck High School			07036	Medical Terminology	21	
		Center-Stanton	09026	Child Development	1	
			07033	Health Careers I	3	
			07036	Medical Terminology	1	
Century High School			07036	Medical Terminology	20	
Drake			04223	Management	1	
Edgeley			17150	Electronics Technology I	1	
Flasher			17812	Aviation Technology I	1	
			17072	Commercial Art I	5	
			17150	Electronics Technology I	1	
			07033	Health Careers I	4	
			04223	Management	1	
			04210	Marketing I	1	
			07036	Medical Terminology	4	
			04240	Sports & Entertainment Marketing	1	
		Garrison		17150	Electronics Technology I	1
				10610	STEM Seminar (Tech Ed)	5

<u>Transmitting School</u> <u>(On-Line)</u> Missouri River Area CTC	<u>Receiving School</u>	<u>Course Code</u>	<u>CTE Programs</u>	<u>Students</u>
	Glen Ullin	17812	Aviation Technology I	1
		07036	Medical Terminology	1
	Goodrich	10610	STEM Seminar (Tech Ed)	2
	Grant County	27219	Computer Hardware & Operating Systems	1
		17150	Electronics Technology I	1
		07033	Health Careers I	3
		27101	Introduction to Information Technology	1
		04210	Marketing I	2
		07036	Medical Terminology	3
	Hatton	27219	Computer Hardware & Operating Systems	7
		27101	Introduction to Information Technology	7
	Hazelton-Moffit-Braddock	27219	Computer Hardware & Operating Systems	1
		27101	Introduction to Information Technology	2
		27120	Introduction to Programming Languages	2
		27122	Programming Essentials - Visual Basics	2
		10610	STEM Seminar (Tech Ed)	3
	Hazen	27219	Computer Hardware & Operating Systems	2
		27101	Introduction to Information Technology	2
		27120	Introduction to Programming Languages	3
		07036	Medical Terminology	4
		27122	Programming Essentials - Visual Basics	2
		04240	Sports & Entertainment Marketing	1
	Kidder County	17812	Aviation Technology I	1
		07033	Health Careers I	1
		27101	Introduction to Information Technology	1
		27120	Introduction to Programming Languages	1
	LaMoure	27219	Computer Hardware & Operating Systems	1
		27101	Introduction to Information Technology	1
	Legacy High School	07036	Medical Terminology	1
	Linton	17812	Aviation Technology I	2
		27219	Computer Hardware & Operating Systems	2
		07033	Health Careers I	6
		27101	Introduction to Information Technology	2
		07036	Medical Terminology	2
		09130	Parenting	3
	Medina	17812	Aviation Technology I	1
		17813	Aviation Technology II	1
		27219	Computer Hardware & Operating Systems	1
		27101	Introduction to Information Technology	1
	Napoleon	17812	Aviation Technology I	1
		17072	Commercial Art I	2
		17150	Electronics Technology I	2
	New Salem	07035	Advanced Health Careers	4
		17812	Aviation Technology I	3
		17813	Aviation Technology II	1
		09026	Child Development	1
		17072	Commercial Art I	1
		17150	Electronics Technology I	1
		07033	Health Careers I	4
		09025	Independent Living	8
		27120	Introduction to Programming Languages	2
		07036	Medical Terminology	1
		09130	Parenting	1
		27122	Programming Essentials - Visual Basics	2
		04240	Sports & Entertainment Marketing	1
		10610	STEM Seminar (Tech Ed)	2

Transmitting School

(On-Line)

Missouri River Area CTC

Receiving School

St. Mary's High School

Course

Code

CTE Programs

Students

Enrolled

<u>Receiving School</u>	<u>Course Code</u>	<u>CTE Programs</u>	<u>Students Enrolled</u>	
St. Mary's High School	17812	Aviation Technology I	8	
	27219	Computer Hardware & Operating Systems	2	
	07033	Health Careers I	19	
	09025	Independent Living	2	
	27101	Introduction to Information Technology	1	
	27120	Introduction to Programming Languages	1	
	07036	Medical Terminology	2	
	09130	Parenting	2	
	27122	Programming Essentials - Visual Basics	1	
	Selfridge	09025	Independent Living	1
		27101	Introduction to Information Technology	1
	Shiloh	07035	Advanced Health Careers	1
		09026	Child Development	9
		17072	Commercial Art I	7
		27219	Computer Hardware & Operating Systems	3
17150		Electronics Technology I	2	
07033		Health Careers I	3	
27101		Introduction to Information Technology	4	
27120		Introduction to Programming Languages	3	
04223		Management	2	
04210		Marketing I	6	
07036		Medical Terminology	8	
09130		Parenting	5	
27122		Programming Essentials - Visual Basics	3	
04240		Sports & Entertainment Marketing	9	
Strasburg		10610	STEM Seminar (Tech Ed)	2
	07033	Health Careers I	1	
	09025	Independent Living	1	
	09130	Parenting	1	
	10610	STEM Seminar (Tech Ed)	1	
	Turtle Lake-Mercer	17812	Aviation Technology I	4
		0926	Child Development	1
		17072	Commercial Art I	1
		07033	Health Careers I	1
		27120	Introduction to Programming Languages	3
04210		Marketing I	1	
07036		Medical Terminology	1	
09130		Parenting	1	
27122		Programming Essentials - Visual Basics	1	
04240		Sports & Entertainment Marketing	1	
Underwood	10610	STEM Seminar (Tech Ed)	6	
	07033	Health Careers I	7	
Washburn	07035	Advanced Health Careers	1	
	17150	Electronics Technology I	3	
Whiteshield	07033	Health Careers I	6	
	10610	STEM Seminar (Tech Ed)	7	
Wilton	17072	Commercial Art I	3	
	09026	Child Development	1	
	07033	Health Careers I	1	
	04210	Marketing I	2	
	10610	STEM Seminar (Tech Ed)	1	



<u>Transmitting School</u> (On-Line)	<u>Receiving School</u>	<u>Course Code</u>	<u>CTE Programs</u>	<u>Students Enrolled</u>	
Missouri River Area CTC	Wing	09026	Child Development	1	
		27219	Computer Hardware & Operating Systems	2	
		09132	Family Living	1	
		09025	Independent Living	1	
		27101	Introduction to Information Technology	2	
		27120	Introduction to Programming Languages	1	
		04210	Marketing I	6	
		09130	Parenting	2	
		27122	Programming Essentials - Visual Basics	3	
		Wishek	07033	Health Careers I	1
			04240	Management	4
			04210	Marketing I	1
			17812	Aviation Technology I	2
		Zeeland	09026	Child Development	1
			17150	Electronics Technology I	1
09025	Independent Living		2		
04111	Entrepreneurship		2		
04240	Sports & Entertainment Marketing		3		
North Valley Area CTC	Grafton	17032	Automotive Technology I	1	
		01053	Botany/Horticultural Science I	5	
		17032	Automotive Technology I	2	
		01053	Botany/Horticultural Science I	2	
North Valley Area CTC	North Border - Pembina	17032	Automotive Technology I	3	
		01053	Botany/Horticultural Science I	1	
North Valley Area CTC	North Border - Walhalla St. Thomas	17032	Automotive Technology I	5	
		01053	Botany/Horticultural Science I	2	
Sheyenne Valley Area CTC	Barnes County North	07036	Medical Terminology	2	
		27170	Introduction to Web Design	1	
		17072	Commercial Art I	1	
		07036	Medical Terminology	1	
		07036	Medical Terminology	1	
		27266	CCNA Introduction to Networks	1	
Sheyenne Valley Area CTC	Central Valley	07036	Medical Terminology	4	
		07036	Medical Terminology	4	
		27266	CCNA Introduction to Networks	4	
		07036	Medical Terminology	4	
Sheyenne Valley Area CTC	Fordville-Lankin	07036	Medical Terminology	4	
		27266	CCNA Introduction to Networks	4	
Sheyenne Valley Area CTC	Maple Valley	07036	Medical Terminology	4	
		27266	CCNA Introduction to Networks	4	
Sheyenne Valley Area CTC	Valley City	07036	Medical Terminology	4	
		27266	CCNA Introduction to Networks	4	
Southeast Regional Area CTC	Richland-Colfax	01067	Veterinary Science	1	
		04210	Marketing I	1	
		07036	Medical Terminology	2	
	Fairmount	07036	Medical Terminology	1	
		07036	Medical Terminology	1	
	Wahpeton	07036	Medical Terminology	6	
<b>Total On-Line:</b>	<b>6</b>	<b>59</b>	<b>27</b>	<b>550</b>	

Advanced Health Careers - 6  
Automotive Technology I - 8  
Aviation Technology I - 27  
Aviation Technology II - 2  
Botany/Horticulture I - 3  
CCNA Intro to Networks - 2  
Child Development - 18  
Commercial Art I - 22  
Computer Hardware - 22

Electronics Technology I - 13  
Entrepreneurship - 2  
Family Living - 4  
Food Service/Culinary Arts - 2  
Health Careers I - 62  
Independent Living - 17  
Intro to Information Technology -  
Intro to Programming Languages -  
Intro to Web Design - 1

Management - 5  
Marketing I - 18  
Medical Terminology - 151  
Nurse Assistant - 28  
Parenting - 19  
Programming Essentials - 21  
Sports & Entertainment Marketing - 16  
STEM Seminar (Tech Ed) - 38  
Veterinary Science - 1

Governor's 90% Request Guidelines  
Proposed Budget Reductions  
for  
Career and Technical Education

Salaries		\$307,389
1 FTE & Transition Adjustments		
Operating Expenses		\$323,340
Travel	56,000	
Professional Development	30,000	
Professional Services	30,000	
Printing, Paper, Supplies	20,000	
Office Supplies	32,000	
Training & Certification	20,000	
Phone	5,000	
ITD – desktop	130,340	
Grants to Schools		\$2,459,210
Secondary Grants	2,117,710	
STEM, Matching and Infusion Grants	35,000	
Emerging Technology	198,500	
Innovation and Distance Delivery Grants	27,000	
Technical Assessments	25,000	
Elementary Entrepreneurship	30,000	
Teacher Professional Development	20,000	
PT Adult	6,000	
Adult Farm Management		\$70,745
Postsecondary Grants		\$69,980
Workforce Training		<u>\$300,000</u>
Total Budget Reductions		\$3,530,664

**CTE's Itemized Change Requests  
to  
Executive Recommendation**

<b>Grants</b>		<b>\$2,609,210</b>
Grants to Schools		
Secondary Grants	2,267,710	
STEM, Matching and Infusion Grants	35,000	
Emerging Technology	198,500	
Innovation and Distance Delivery Grants	27,000	
Technical Assessments	25,000	
Elementary Entrepreneurship	30,000	
Teacher Professional Development	20,000	
PT Adult	6,000	

**No Optional Adjustment Requests were included in the Executive Recommendation**

**2017–2019 Biennium Budget Request  
Department of Career and Technical Education**

**Maintaining Access to CTE**

**Restore School Funding to 100% \$2,609,210**

**Restoring school funding will:**

- 1) Keep reimbursement percentages at pre-cut levels**  
     **27% at School District (25% with cuts)**  
     **40% at Area Centers (37% with cuts)**

- 2) Avoid Maintenance of Effort on Federal Perkins Funding \$1,356,782**

**§403.182** The Secretary may not make a payment under the Act to a State for any fiscal year unless the Secretary determines that the fiscal effort per student, or the aggregate expenditures of that State, from State sources, for vocational education for the fiscal year (or program year) preceding the fiscal year (or program year) for which the determination is made, at least equaled its effort or expenditures for vocational education for the second preceding fiscal year (or program year). (Authority: 20 U.S.C. 2463(a))

**General Fund Expenditures**

	<u>Expended</u>	<u>Under MOE</u>
2013-2015	\$30,777,747	-
2015-2017	\$31,413,298	-
2017-2019	\$30,056,516	- \$1,356,782

*Maintenance  
of  
Effort*

# 2  
SB 2019/2079  
1-4-2017

Mr. Chairman and members of the committee

Good afternoon, my name is Alfred Schwalbe from Beulah, ND. I grew up on an angus beef cattle ranch just south of Beulah and am gearing up for my second semester studying agricultural education at North Dakota State University. Today I come to you wearing this blue jacket, serving as the President of the North Dakota FFA and to share with you the impact Career and Technical Education has had on me and the thousands of other students across this great state.

Back when I was a young lad I told my Grandma that I was going to be a school principal. But like every child I changed my mind many times and jumped from a principal to an archeologist then to a band teacher, electrician, rancher, radiological oncologist, back to rancher, physical therapist and I finally found my place being an agriculture teacher. It wasn't until I enrolled in my first agricultural education course that my future career plans became clear. CTE does this for young people. Its courses like agriculture, business, marketing, welding, health sciences, and the CTE class list goes on and on where students have experiences that stimulate interest and help guide them to a career path. North Dakota needs more workers that are highly skilled and think innovatively. CTE classes facilitate this and will help provide the next generation of entrepreneurs, employees and leaders for North Dakota businesses.

I want to have a career that helps foster the interest of the next generation of ranchers like my grandparents, coal miners like my parents, electricians, welders, carpenters, biologists, salesman and future leaders.

Nearly a year ago, four other students and I started preparing for my final season of the Agricultural Sales Career Development Event. Career and Technical Student Organizations such as FFA provide competitive events that test a student's knowledge in particular skill areas. To expand, the agricultural sales CDE has students take an exam on sales practices, completing a marketing plan for a product as a team, and also sell an agricultural related product to judges. Sounds manageable. But North Dakota is one of the most competitive states for this CDE at the national level. In fact, in 2016 the team from Napoleon FFA was crowned national champions. So the competition is super tough.

Though Beulah was not an incredibly strong competitor, it was my goal to change that. After two years of building up an experienced group, a high quality team was formed. The four others I called teammates, Mr. Aichele my Ag teacher, and I met in the ag. department every Tuesday and Thursday at 6:30 AM to prepare. For three months, Mr. Aichele and I acted like team coaches. We would be the ones to give feedback, instruction, and study material. Our mornings were full of mock sales and practice team problems while searching for all better practices to receive as many points as possible.

Fast forward three and half months to mid-March to the state contest for Ag. Sales. That was one stressful day. In the morning, I hounded the team to review their product and their notes as much as they could. In the afternoon, we walked in for our marketing event. And at 3 PM, we all sat nervously together awaiting results. I remember that pain in my stomach from anticipation. Finally, the results were in.

As bronze and silver teams were called, we crossed our fingers that Beulah would be saved for gold. As the gold teams were about to be introduced, we all knew their would be five top teams

and we prayed to be one of them. Mr. Chairman, Beulah's Ag. Sales team walked away fourth and with a gold rosette in our hand.

I tell this story so you all may know when I realized that Agricultural Education was for me. Mr. Aichele and I spent three years to reach our goal to be the first team from Beulah to earn that gold award. Three years of early morning practices, late night studying, and Saturdays full of competition across the state. Three years of engraving professionalism and sales techniques into the team. Mr. Aichele coached students for thirty years in tons of CDEs and was giving ordinary high school students the skills needed to be extraordinary outside of the classroom. He made it blatantly clear how important these organizations were to forming students into successful leaders of the future.

I realized that the best way I could serve this world was to give young people the tools to be successful in their careers. I chose Ag. Ed. because I could do just that.

CTE is guiding students to career choices! Not the core classes like math, english, and social studies. Career and Technical Education is where students find their niche in the world. I'm not a unique story but there are thousands of other students in every high school in the state that are in career and technical education classes working with their CTE teacher, finding success. They spend the late nights, early mornings and the countless hours outside of the classroom making a difference. If it wasn't for the funding, support and leadership the Department of Career and Technical Education provides, these experiences might not be as widely available to all students in the state.

For that reason Senate Bill 2019 needs to be a top priority in North Dakota. Mr. Chairman, on behalf of 4,800 members that wear this blue corduroy jacket, and thousands of other students involved in all Career and Technical Student Organizations I urge you and the Senate Appropriations committee to support the Career and Technology Education department with funds to effectively assist North Dakota students for life beyond high school.

Donald Schilling 1/4/2017  
SB 2019/2079 # 3  
Jan 4, 2017

**GENERAL** **GENERAL**  
EQUIPMENT & SUPPLIES, INC. CONSTRUCTION EQUIPMENT SALES

ND Senate Appropriations Committee  
Presentation – SB 2019

January 4, 2017  
Donald Shilling - President  
General Equipment & Supplies, Inc.  
Fargo, Bismarck, Minot and Williston ND

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**GENERAL** **GENERAL**  
EQUIPMENT & SUPPLIES, INC. CONSTRUCTION EQUIPMENT SALES

**Shortages** in the Construction Equipment Industry

- Beginning in 1980's our industry could see the potential for Diesel Technician shortages
- Economy was still robust
- Educational system focused on four year post secondary educational degrees
- Our Industry was not considered attractive – hard work
- Computer Age – the industry of choice
- Shortcoming in our educational system in funding and promoting programs that were industrial in nature

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**GENERAL** **GENERAL**  
EQUIPMENT & SUPPLIES, INC. CONSTRUCTION EQUIPMENT SALES

Today the **Solution** Has Been Industry and Education Partnerships

- Industry is Partnering with CTE
- Industry has become more proactive in the recruiting process – We have FT Recruiter as do others
- CTE has engaged industry on many levels
- Education and Industry are seeking one another's input – (WF School Board Meeting – Discuss Work Force)
- General public awareness of the shortages in skilled technical work force has improved

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**GENERAL** EQUIPMENT & SUPPLIES, INC. **GENERAL** ASSOCIATE EQUIPMENT DEALER

Today Our **Partners** Include:

- ND Career and Technical Education
- North Dakota State College of Science
- Associated Equipment Distributors – State and National
- Other Dealers who are engaged in recruiting
- All CTE related programs and instructors – ie FFA, SkillsUSA, DECA, Future Business Leaders

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**GENERAL** EQUIPMENT & SUPPLIES, INC. **GENERAL** ASSOCIATE EQUIPMENT DEALER

Our Partner Program **Successes**

- About 60% of the current NDSCS Diesel Students have an industry sponsor
- We recruit students to the NDSCS / Komatsu Diesel Program (our goal is to graduate 6 -8 annually)
- At 6 to 8 Graduates per year that fills our companies potential ND needs (but not outside ND)
- With Komatsu and other Komatsu dealers in the region we jointly fund and promote the Komatsu Program at NDSCS (the most successful Komatsu Program in US)
- These students are top of the line – great talent

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**GENERAL** EQUIPMENT & SUPPLIES, INC. **GENERAL** ASSOCIATE EQUIPMENT DEALER

What We Can **Accomplish**

This Two Year Program Provides:

- Two year Associate Degree in Diesel Tech
- Provides Tuition Reimbursement (imagine no debt 3 years after graduation?)
- Sponsored students are provided jobs during school and following graduation
- Provides a fast track to career advancement
- Mentorships through foreman and other employees
- Networking – they build relationships with students from other dealerships

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**GENERAL** EQUIPMENT & SUPPLY, INC.     **GENERAL** MACHINERY EQUIPMENT SALES

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**What are Barriers?**

- State Funded Schools with programs "at risk" budgeting
- Local School cooperation – Let us "in" to talk about careers in this industry
- Access to High School Grads and their parents
- Guidance Counselors are beginning to know us but need more opportunities to see the potentials
- The expenses in doing this "on our own" – is costly
- School budgeting based student count verse real costs of technical education programs and program value
- Public Awareness

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**GENERAL** EQUIPMENT & SUPPLY, INC.     **GENERAL** MACHINERY EQUIPMENT SALES

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**How to Continue the Success**

- Consistent Funding for the programs that are working
- Any educational assistance to students should be "income tax free" to those students
- Tax incentives for businesses involved in this type of career or work force development
- Federal and State dollars to school districts should be tied to their ability to prove they are collaborating with industry and career development
- Do not divert educational dollars to duplicate programs that are not working
- Aggressively pursue other partnerships in like industries

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**GENERAL** EQUIPMENT & SUPPLY, INC.     **GENERAL** MACHINERY EQUIPMENT SALES

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**Our Current Governor Is Challenging us to "think outside the box" or face budget cuts**

- We (education and industry) are engaged and moving forward
- We are filling gaps in state wide employment
- With potential new technology and machine controls our needs are increasing
- Our future, our growth is dependent on these programs
- Unless students are exposed to these programs **they will never be interested**

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**GENERAL** **GENERAL**  
EQUIPMENT & SUPPLIES, INC. CONTRACTS & EQUIPMENT SALES

Meet Grant  
This is Why CTE is Working



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**GENERAL** **GENERAL**  
EQUIPMENT & SUPPLIES, INC. CONTRACTS & EQUIPMENT SALES

Thank you

Donald Shilling  
[dshilling@genequip.com](mailto:dshilling@genequip.com)  
701 364 2210

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**Testimony of Deana Wiese**  
Executive Director

**In Support of SB 2079**

2019  
January 4, 2017

Chairman Holmberg and members of the Senate Appropriations Committee:

My name is Deana Wiese, and I am the executive director of the Information Technology Council of North Dakota (ITCND). I am here today to voice support of SB 2079.

ITCND was created in 2000 by North Dakota business, government and education leaders who recognized the need to strengthen the state's information technology infrastructure and reposition the state as a national leader in IT. ITCND has nearly 80 member organizations, with representatives from both the public and private sector.

North Dakota's technology industry is expanding rapidly. Recent Job Service North Dakota data shows that North Dakota has seen an increase of more than 30 percent in technology occupations over the past decade and is projecting a 20 percent increase for the next decade. Job growth in North Dakota's technology industry has more than doubled that of the nation. A shortage of skilled workforce is a limiting factor for technology-based industry growth. Therefore, the development of a high-quality workforce is vital to the future growth of North Dakota's technology industry. The Department of Career and Technical Education (CTE) has been a strong partner in assisting the technology industry in meeting these needs.

We support this bill as many of its components will strengthen secondary technology education opportunities for North Dakota students and provide training for technology instructors, thus helping our members secure a workforce in the future. Since the launch of ITCND's IT Career Awareness Program in 2009, CTE has been a strong partner in promoting careers to students and educators through the program. ITCND and CTE have worked together to reach tens of thousands of students in dozens of communities statewide with technology education and career information.

1

We recognize the current budget situation, but would encourage you to consider reinstating funds into the CTE budget, so current CTE programming does not need to be cut. Ideally, we'd like to see CTE programming expanded given the workforce needs in this area, but we understand the funding situation that is at hand.

We thank you for your support of technology education opportunities in the past and urge your support of SB 2079.

2

SB2019/2079  
1-4-17  
#5



**TrainND** is the state's most comprehensive and inclusive training network, strengthening and expanding business in North Dakota since 1999.

# trainND

[It's a competitive world. Train for it.]

Powered by:



**FOUNDATION**

The workforce training system resulted from a 31-member statewide task force on workforce development and training, formed in 1998 to research “best practices” in other states and to design a more effective workforce training system in North Dakota. This initiative was coordinated by the Greater North Dakota Chamber and resulted in a proposal for the North Dakota University System and the state legislature. These recommendations were enacted into legislation during the 1999 session. The primary purpose of House Bill 1443 (1999) was to develop a world-class workforce training system in North Dakota.

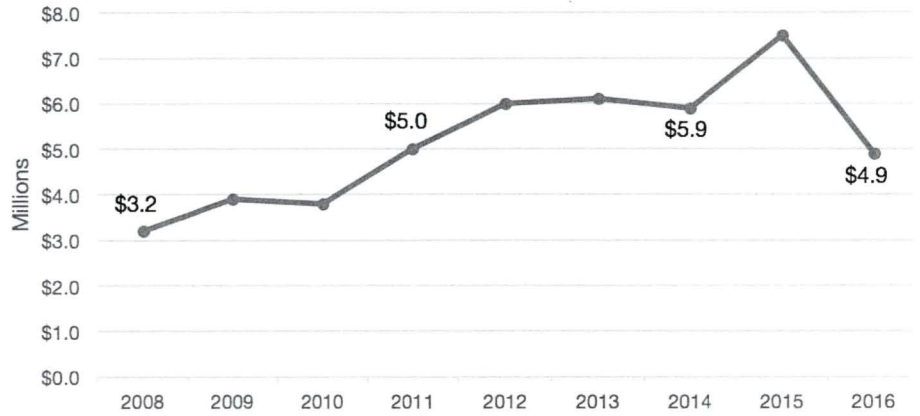
**WORLD CLASS TRAINING FOR WORLD CLASS WORKFORCE**

TrainND expands opportunities in North Dakota by training employees to achieve more for themselves and their employers. Four regions cooperate with four community colleges to ensure coverage for all of North Dakota’s current workforce needs.

Managers, IT professionals, welders, lineworkers, drivers, frontline office staff, all types of workers benefit from TrainND’s comprehensive, customized employee training. TrainND ensures North Dakota businesses maintain a well-trained workforce and stay viable and competitive locally and as part of a global economy.

**TrainND DELIVERS**

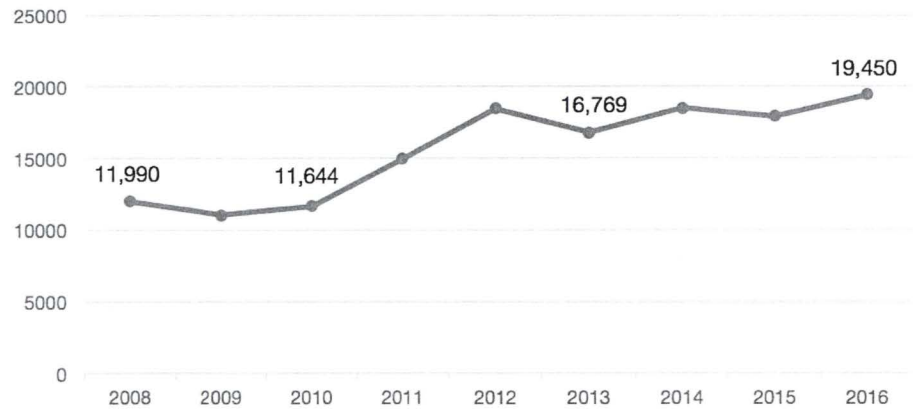
**REVENUE GENERATED**



As the oil revenues have dropped in the past few years, so has the need for manufacturing training that provided products to the oil industry. Those delivered trainings were statewide and effected all regions, as the oil industry depended on manufacturing companies across the state of North Dakota. Also, as the Agricultural Industry markets have dropped, that has lowered training revenues as well in the manufacturing sector that we serve.

Although Revenue for FY16 was down, the number of employees trained was higher, which reflects a need for different skills due to the downturn.

**EMPLOYEES TRAINED**



## TESTIMONIALS

“ Southwest TrainND has been an invaluable part of our facility being able to build a team of highly skilled, competent and compassionate certified nursing assistants who can meet the increasingly difficult demand of caring for both elderly and medically complex residents. Our facility is currently a clinical site for the BSC/TrainND Certified Nursing Assistant program. We have appreciated being able to work directly with the students and faculty in creating a positive, hands-on experience that enables the students to be confident in the skills they will need to provide high quality care to the residents not just at our facility, but throughout the region.”

*Michelle Fiedler – RN Southwest TrainND Board Member, Assistant Director of Nursing Baptist Health Care Center, Bismarck, N.D.*

“ Harris Machine Company of Oakes, N.D. would like to show our appreciation and support for TrainND and TrainND Southeast. Our company experienced an extensive product recall due to weld quality issues. Karla did an excellent job of making us aware of the available services and Jerod provided outstanding training to our employees. The TrainND program services and resources were invaluable in the containment and mitigation of a problem that had the potential to create extensive damage to our company.”

*Jay Harris – President, Harris Machine Company, Oakes, N.D.*

“ Another great training by TrainND. We look forward to working with you again in the future! The training provided is extremely valuable to our workforce and all of our employees enjoy it.”

*Jeff Jacobson – Director, Lake Region Corporation, Devils Lake, N.D.*

“ It is always great working with the TrainND staff. You know everything will be taken care of and training will be properly done. Great group of people.”

*Brian Senger – Human Resource Manager, Eventide Heartland, Devils Lake, N.D.*

“ TrainND has always implemented the suggested additions, deletions, and/or revisions to a specific training program.”

*K. Larson – Oasis Petroleum*

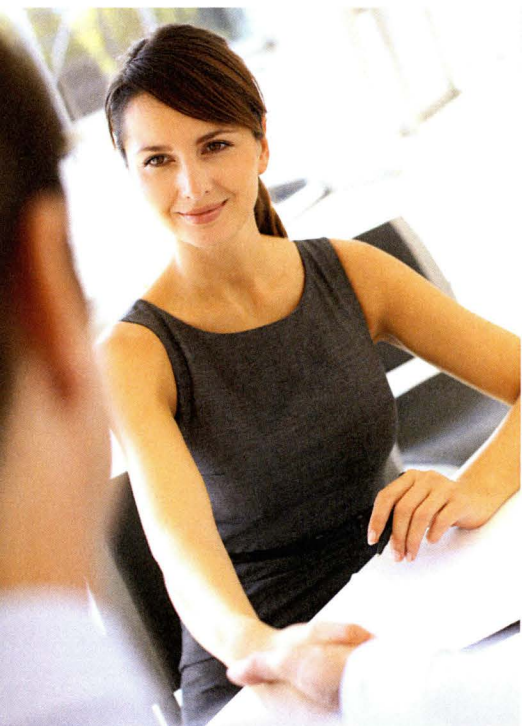
“ We requested an abbreviated training of classes that were generally three days to a week and had them pared down to four hours, that is no small task and yet we felt we received excellent training and everyone was able to get their hands on training.”

*D. Hvinden – NDIC*



Over the course of the last several years North Dakota has experienced an economic downturn and budget cuts which made it necessary for business to adjust their talent management strategies, making the role of TrainND critical to the company's employee professional development strategy. As North Dakota's labor force is becoming increasingly diverse, our talent management strategies must be integrated in order to strategically plan for today and in the future. A vital role that TrainND will continue to assist companies in addressing.





## TrainND's 2017-2019 LEGISLATIVE REQUEST

### SUSTAINABILITY

In 1999, the North Dakota Legislature wisely established a training infrastructure to strengthen North Dakota's business climate. The comprehensive, customized employee training that resulted is vital to the health of North Dakota's economy. Well-trained employees are more satisfied in their work and workplaces are more productive. We know that the companies served by TrainND are highly satisfied.

Consistent funding since 2007 has made it possible for TrainND to provide our client's customized training solutions resulting in a positive impact to their business strategy, and their talent pool. With the continued investment, the TrainND system can continue to provide training that business and industry need in order to compete locally, regionally and globally.

**STATEWIDE** satisfaction ratings for training is consistently higher than **96% SATISFACTION RATE.**

Some regions have attained **99-100%** ratings over the past decade.

### OUR REQUEST FOR 2017-2019

Operating – \$2.6 Million

#### TrainND FUNDING HISTORY

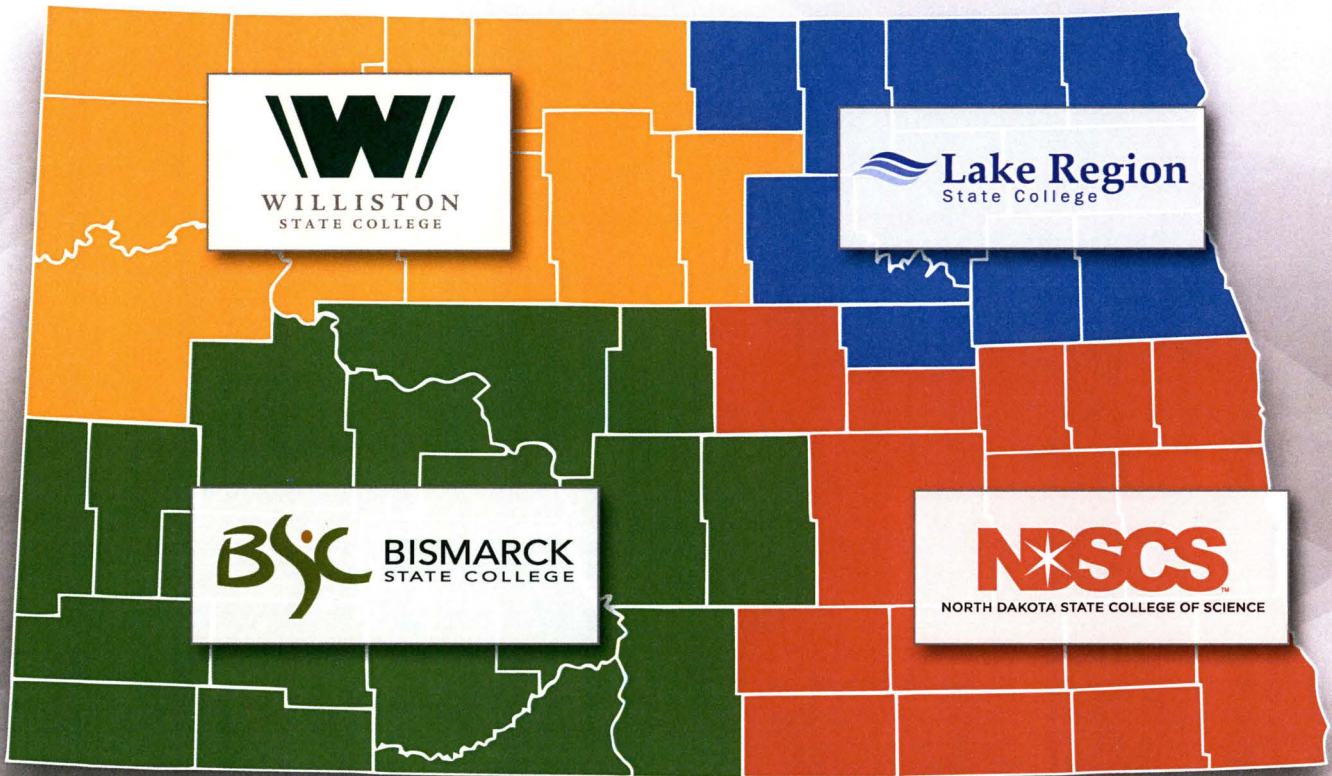
BIENNIUM	FUNDING	OPERATIONS	EQUIPMENT
2009-11	\$3 million	\$3 million	\$0
2011-13	\$3 million	\$3 million	\$0
2013-15	\$4 million	\$3 million	\$1 million
2015-17	\$3 million	\$3 million	\$0

[It's a competitive world. Train for it.]



# BUSINESS PLAN

Fiscal Years 2016 and 2017



**TrainND** provides training for North Dakota business and industry, enhancing their ability to compete globally.

**trainND**

[It's a competitive world. Train for it.]

## FOUNDATION

TrainND is the state's most comprehensive and inclusive training network. TrainND resulted from a 31-member statewide task force on workforce development and training formed in 1998 to research "best practices" in other states and to design a more effective workforce training system in North Dakota. This initiative was coordinated by the Greater North Dakota Chamber of Commerce in 1998. These recommendations were enacted into legislation during the 1999 session. House Bill 1443 was passed, setting the stage for North Dakota to develop a world-class workforce training system.

TrainND expands opportunities in North Dakota by training employees to achieve more for themselves and their employers. Four regions cooperate with four community colleges to ensure coverage for all of North Dakota's current workforce needs.

### The key components include:

1. Establishment of four service regions within the state.
2. Designation of workforce training to four two-year colleges in the North Dakota University System.
3. Establishment of local advisory boards.
4. Financial support from state funds, institution support, and training fees.
5. Development of collaborative relationships.

Follow-up meetings have taken place since TrainND's inception: In 2004, 2010 and again in 2014.

Interim Chancellor Skogen initiated the most recent TrainND Summit in 2014, to provide a forum to evaluate the effectiveness of the current workforce training model in meeting the needs of North Dakota businesses and industry. While the original TrainND model was solid, the changing environment in North Dakota makes it important to reevaluate the model and how it might need to evolve in the future. Summit recommendations concluded that the workforce training model and funding mechanism are effectively achieving results however, the TrainND infrastructure has not been able to keep up with the demand in North Dakota. As current clients request deeper relationships, new businesses in need of TrainND services move into the state. Due to the overall lack of awareness of TrainND outside of the businesses presently being served, those new businesses don't know about TrainND. Additional TrainND skilled personnel are needed to work with individual businesses in designing training programs that match their training needs; extend training services to more communities and newer businesses throughout the state; leverage social media tools and technologies; and obtain training equipment

and software necessary for providing up-to-date and effective training.

## VALUE STATEMENT

**Timely** – Provided **WHEN** our customers need it

**Relevant** – Designed for **WHAT** our customers need

**Adaptable** – Customized to **SUIT** our clients

**Innovative** – Developed with **CURRENT** trends in mind

**National** – Recognized **CERTIFICATIONS** and credentials

**Network** – Partner to **COLLABORATE** efficiently

**Dependable** – Committed to **RESPOND** promptly

## FINANCIAL HISTORY AND PROJECTIONS

A financial history for TrainND activity in FY 2013 and 2014 is provided on the following spreadsheet. TrainND has also provided the financial projections for FY 2015, 2016, and 2017.

The four TrainND Regions collectively delivered over \$5,965,004 in training to businesses in the state in Fiscal Year 2014. Comparing direct training revenue to state aid, TrainND earns approximately \$3.98 for every dollar provided by the Legislature. This return on the state investment is a reflection of the quality of the training developed and delivered throughout the state. Employee training and education has a direct impact on business productivity.

State allocated funds are based on the number of employees in each region. Job Service provides this information based on the Quarterly Census of Employment and Wages Program Report. The funding is based on the most recent data available to Job Service. The funding data is calculated on statistics that are over a year old.

Both state appropriations and net margin are used to pay for costs that are non-billable to the client. Such costs include program management, support staff, outreach to potential new clients, awareness building, new initiatives, and office supplies.

Operational expenses total \$998,944 for FY 2014. These expenses include marketing, travel, office operations, professional development and new initiatives. Total Direct Training Expenditures were \$2,953,201 and include all costs associated directly to the delivery of training. These items include books, supplies, trainer salaries, food, etc.

Salaries for the four regions total \$3,899,147, which includes all salaries and benefits for full time staff. There are a total of 28.5 FTE for the four regions.

Funds listed under net results for future investments can include grant dollars received that fiscal year, but not spent. Many times grant dollar expenses cross several fiscal years. These dollars are often used to enhance programs such as to provide software, to upgrade equipment, and to invest in professional development.

Of great value, but not quantified in this report, are the in-kind services provided by the four community colleges charged with operating the TrainND regions in the state. These institutions provide physical space, utilities, and equipment for both office and training activities. Leadership is provided by the College President, along with indirect services provided by payroll, business offices, plant services, and

others too numerous to mention. For FY 2014 and FY 2015 the total amount of indirect services is \$2,412,006. For FY 2016 and FY 2017 the total of indirect services is \$2,892,325.

The original funding formula (HB 1443) adopted in 1999 is an excellent working model, with funding provided from the following areas: Direct Training, State Legislative Funds, and Business Donations (equipment, cash, etc.). Legislative funds are allocated to pay for infrastructure, awareness of services, additional employees, and the cost to continue workforce training services. Business and industry pay for their employee training programs. Businesses have donated equipment/cash/services to assist TrainND for specific types of training.

## BUDGET

### FY 2013-2017 Statement of Revenues, Expenses and Funding Sources

	Actual FY 2013	Actual FY 2014	Budget FY 2015	Budget FY 2016	Budget FY 2017
<b>REVENUES</b>					
Direct Training Revenues	\$6,146,484	\$5,965,004	\$6,612,614	\$7,097,479	\$7,583,886
Community/Regional Funds	\$271,130	\$272,026	\$0	\$0	\$0
Institutional Funds	\$118,632	\$0	\$0	\$0	\$0
Grant Funding	\$254,559	\$300,650	\$0	\$0	\$0
State General Fund	\$1,455,467	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000
<b>Total Revenues</b>	<b>\$8,246,272</b>	<b>\$8,037,680</b>	<b>\$8,112,614</b>	<b>\$8,597,479</b>	<b>\$9,083,886</b>
<b>EXPENDITURES</b>					
<b>Total Direct Training Expenditures</b>	<b>\$2,759,673</b>	<b>\$2,953,201</b>	<b>\$3,073,193</b>	<b>\$4,178,911</b>	<b>\$4,331,667</b>
<b>Outreach/Coordination Expenses</b>					
Total Salaries/Wages and Benefits	\$3,820,314	\$3,899,147	\$3,784,292	\$3,207,210	\$3,556,154
<b>Operational Expenses</b>					
Marketing	\$127,954	\$116,478	\$160,500	\$127,000	\$128,000
Travel	\$100,009	\$98,129	\$136,000	\$100,500	\$100,500
Other Operating Expense	\$613,079	\$558,981	\$549,931	\$554,755	\$558,663
New Initiatives	\$140,848	\$111,945	\$98,500	\$271,500	\$271,000
Professional Development	\$102,477	\$113,411	\$124,500	\$104,000	\$103,000
<b>Total Operational Expenses</b>	<b>\$1,084,367</b>	<b>\$998,944</b>	<b>\$1,069,431</b>	<b>\$1,157,755</b>	<b>\$1,161,163</b>
<b>Total Expenditures</b>	<b>\$7,664,354</b>	<b>\$7,851,292</b>	<b>\$7,926,916</b>	<b>\$8,543,876</b>	<b>\$9,048,984</b>
<b>Net Result For Future Investments</b>	<b>\$581,918</b>	<b>\$186,388</b>	<b>\$185,698</b>	<b>\$53,602</b>	<b>\$34,902</b>
<b>College's In-Kind</b>	<b>\$1,106,500</b>	<b>\$1,188,915</b>	<b>\$1,223,091</b>	<b>\$1,414,317</b>	<b>\$1,478,008</b>

- In FY 2014, Direct Training Revenue accounts for 74% (\$5,965,004) of the total funding.
- In FY 2014, State legislative funds account for 19% (\$1,500,000) of the total funding.
- In FY 2014, other funding sources, community/regional funds, grants, account for 7% (\$572,676).
- In FY 2014, the four community colleges provide in-kind services for office space, training rooms, IT support, Business office support, etc. which amounts to \$1,188,915.



business consultant and advisor. Customers are assured of reliability and can count on our representatives to protect their interests, respond quickly to meet special needs, and offer reliable business training results.

## ACTION PLAN

### Objectives for FY 2016 and 2017:

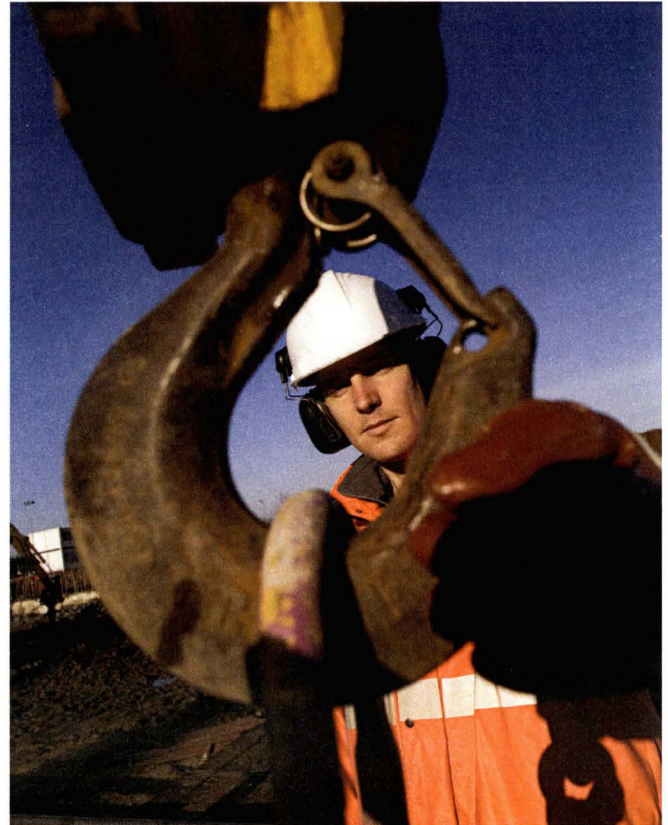
- Provide customized training to **395** regional businesses each fiscal year.
- Train **9,000** employees (unduplicated count) each fiscal year.
- Hold **1,000** training sessions each fiscal year.
- Meet budgeted training revenue as outlined in the Biennial Business Plan.
- Maintain a **98%** or higher satisfaction level for the training provided to business/industry each fiscal year.

## GOALS AND STRATEGIES

TrainND Northwest will continue its focus on awareness and expansion of services provided to business and industry in State Planning Regions I and II. These regions are comprised primarily of small businesses (50 employees or less) and will require that we expand our outreach efforts to outlying areas by building partnerships and offering training to meet small business needs. Our goal is to expand the training services we offer to smaller businesses while maintaining our service to larger businesses. Companies are requesting various delivery methods and training flexibility for their employees. TrainND Northwest will provide programs that meet this training plan which allows employees to continue working while gaining skills.

North Dakota employers reported an estimated 14,500 more jobs when compared to a year ago, a 3.2 percent increase. The largest private-industry employment gains were reported in Construction (+4,300), Leisure & Hospitality (+1,800), and Mining & Logging (+1,600). Two other industries reported gains of 1,000 or more jobs (Wholesale Trade and Other Services), (ND Job Service 2012 Report). These industries participate in many of the training programs provided by TrainND. Most of these positions are in the oil and gas industry.

Relationship building is vital to the success of the TrainND division. TrainND Northwest demonstrates that they are trustworthy, competent, and credible as a



## BUDGET NARRATIVE

Funding sources come from:

- direct training revenue
- state allocated dollars
- grant funding

Direct training revenue will increase as business and industry realize the services that TrainND Northwest can provide. Business and industry will continue to contribute equipment to further develop a premier oilfield training site as well as new petroleum training programs. Any funds remaining after expenses will be used to further develop training programs.

TrainND has 11 FTE staff positions and 13 FTE trainer positions. Due to the demand of the oil and gas industry with the various training certifications needed, full-time trainer positions are required to meet the training needs.

Williston State College contributes to the division by providing the following in-kind match, office space and plant services; as well as indirect services including human resources, payroll, security, etc. Additional support is provided by the President and the Vice President of Business Services. This match totals \$229,545 for FY 2016 and \$252,500 for FY 2017.

### FY 2013-2017 Statement of Revenues, Expenses and Funding Sources

	Actual FY 2013	Actual FY 2014	Budget FY 2015	Budget FY 2016	Budget FY 2017
<b>REVENUES</b>					
Direct Training Revenues	\$2,762,734	\$2,330,178	\$3,050,000	\$3,550,000	\$3,850,000
Community/Regional Funds	\$40,267	\$15,223	\$0	\$0	\$0
Institutional Funds	\$0	\$0	\$0	\$0	\$0
Grant Funding	\$0	\$290,515	\$0	\$0	\$0
State General Fund	\$255,034	\$333,404	\$333,404	\$358,946	\$358,945
<b>Total Revenues</b>	<b>\$3,058,035</b>	<b>\$2,969,320</b>	<b>\$3,383,404</b>	<b>\$3,908,946</b>	<b>\$4,208,945</b>
<b>EXPENDITURES</b>					
<b>Total Direct Training Expenditures</b>	\$1,064,821	\$1,185,186	\$1,550,000	\$2,500,000	\$2,600,000
<b>Outreach/Coordination Expenses</b>					
Total Salaries/Wages and Benefits	\$1,629,965	\$1,796,409	\$1,450,000	\$1,000,000	\$1,200,000
<b>Operational Expenses</b>					
Marketing	\$44,924	\$53,280	\$40,000	\$50,000	\$50,000
Travel	\$5,227	\$10,732	\$20,000	\$15,000	\$15,000
Other Operating Expense	\$2,160	\$2,505	\$50,000	\$15,000	\$15,000
New Initiatives	\$135,527	\$84,846	\$55,000	\$250,000	\$250,000
Professional Development	\$28,508	\$51,664	\$50,000	\$50,000	\$50,000
<b>Total Operational Expenses</b>	\$216,346	\$203,027	\$215,000	\$380,000	\$380,000
<b>Total Expenditures</b>	<b>\$2,911,132</b>	<b>\$3,184,622</b>	<b>\$3,215,000</b>	<b>\$3,880,000</b>	<b>\$4,180,000</b>
<b>Net Result For Future Investments</b>	<b>\$146,903</b>	<b>-\$215,302</b>	<b>\$168,404</b>	<b>\$28,946</b>	<b>\$28,945</b>
<b>Williston State In-Kind</b>	<b>\$173,898</b>	<b>\$198,742</b>	<b>\$208,678</b>	<b>\$229,545</b>	<b>\$252,500</b>

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## GOALS AND STRATEGIES

According to Job Service of North Dakota, Employment across the state grew at a rate of 3.2 percent from March 2014 to 2015. The Grand Forks metropolitan service area, the largest community in the northeast service area, posted overall employment growth of 2.1 percent during the same period. The four highest growth categories for Grand Forks were professional business services, (10.7%); mining, logging and construction (8.3% increase); retail trade (7.2%); and transportation, warehousing and utilities (4.8%). Program planning throughout the next two years will center on the above industries, with a focus on delivering affordable, effective training to prepare workers for careers and offer a pipeline of qualified talent for the employers in those industries.

The other major industry TrainND Northeast will continue to focus on is healthcare and social assistance. According to Job Service, related organizations employ over 50,000 workers throughout North Dakota, more than any other industry in the state. TrainND Northeast plans to offer a variety of health classes to help fulfill the staffing needs of the area's healthcare organizations, including IV Therapy for LPNs, Certified Nurse Assistant (CNA), and Qualified Service Provider (QSP) programs. TrainND Northeast has worked with the North Dakota State Board of Nursing and the North Dakota Department of Health to get approval for delivering portions of the health classes via online. While students must still perform their lab and clinical demonstrations face to face with a Registered Nurse Instructor, being able to learn theory online does a great service to our rural communities.

The Small Business Administration reports that 20 percent of businesses in North Dakota had fewer than 20 employees in 2013. Offering one-at-a-time training online to help very small employers and their staff stay up to date on ever-changing technology and improve their leadership and soft skills is also important to TrainND Northeast's mission. TrainND Northeast plans to continue leveraging partnerships with online educational providers and produce additional customized, web-based training for the area's employers, based on industry demand.

The Action Plan is devised through a team effort, approved by the executive team, and adopted by the Advisory Board. By completing the action steps, the team can fulfill their mission as set forth by legislation, facilitate economic development of the region, build long term relationships, and position itself to sustain the vision of an efficient system of workforce training.

**Goal:** To deliver innovative, cost-effective, results-oriented, workforce training and services for the businesses and industries in the Northeast region.

### Objectives for FY 2016 and 2017:

- Provide needs based workforce training and services to **200** businesses per fiscal year.
- Provide training to **1,800** employees per fiscal year.
- Provide **25,000** contact hours per fiscal year.
- Increase awareness of TrainND by making direct contacts to **800** businesses within the region.
- Meet budgeted training revenue as outlined in the Biennial Business Plan.
- Earn a minimum of **98%** satisfaction rating from our clients and participants.
- Maintain a **100%** satisfaction rating for responsiveness from our clients.

In this fast-paced, information age, employers expect quick responsiveness, innovative practices, flexibility, and top-notch service. As the world changes and technology advances, staff too, must adapt and improve. This will be accomplished by promoting professional development for all TrainND Northeast employees.

## BUDGET NARRATIVE

Funding sources for TrainND Northeast come from direct training revenue, state allocated dollars, community funds, grants, and institutional funds. It is anticipated that direct training revenue will increase as awareness spreads in the greater Grand Forks area. The State General Fund dollars are based on the number of employees in the Planning Regions III and IV. The share that TrainND Northeast will receive for the upcoming biennium will be determined by Job Service North Dakota and released around July 1, 2015. The funding data is calculated on statistics that are over

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a year old. The funding is determined by using the number of employees in each region to pro-rate the \$3,000,000 biennial state funding allocated to TrainND. With continued growth in the West, it is expected that the Northeast will again receive a reduced amount. This chart shows the progression of reduced funding under the current funding model:

- FY 2008-2009 was \$286,644 yearly
- FY 2010-2011 was \$275,338 yearly
- FY 2012-2013 was \$267,746 yearly
- FY 2014-2015 was \$240,770 yearly

The following spreadsheet shows the actual revenue and expenditures for FY 2014, and the proposed budget for FY 2015, FY 2016, and FY 2017. Any net margin will be used to develop workforce training programs.

Direct training expenses, are included in the client contract and contain Grand Forks staff salaries, contract

trainer salaries, training materials, travel, and supplies. Training costs vary from one part of the region to another depending on instructor and staff travel, the type of business or consortium served, and the type of training received.

Outreach and coordination expenses include salaries and benefits for LRSC staff and administrative support. Other Operating Expense includes supplies, printing, equipment, building/room rental communications, IT services, postage, and subscriptions. Professional Development includes memberships and registrations for staff training or skill upgrades.

In-kind support includes President's time, Administrative Services support, office space and utilities, meeting rooms, class rooms, lab equipment, IT support, security, and plant services for a total of \$210,000.

TrainND Northeast has 6.4 FTE staff positions.

**FY 2013-2017 Statement of Revenues, Expenses and Funding Sources**

	Actual FY 2013	Actual FY 2014	Budget FY 2015	Budget FY 2016	Budget FY 2017
<b>REVENUES</b>					
Direct Training Revenues	\$413,150	\$422,676	\$550,000	\$350,000	\$450,000
Community/Regional Funds	\$230,863	\$256,803	\$0	\$0	\$0
Institutional Funds	\$0	\$0	\$0	\$0	\$0
Grant Funding	\$0	\$10,135	\$0	\$0	\$0
State General Fund	\$267,746	\$240,770	\$240,770	\$224,173	\$224,173
<b>Total Revenues</b>	<b>\$911,759</b>	<b>\$930,384</b>	<b>\$790,770</b>	<b>\$574,173</b>	<b>\$674,173</b>
<b>EXPENDITURES</b>					
<b>Total Direct Training Expenditures</b>	<b>\$316,395</b>	<b>\$425,519</b>	<b>\$163,000</b>	<b>\$225,000</b>	<b>\$250,000</b>
<b>Outreach/Coordination Expenses</b>					
Total Salaries/Wages and Benefits	\$199,402	\$227,283	\$459,752	\$261,273	\$365,000
Marketing	\$14,968	\$5,298	\$55,000	\$15,000	\$15,000
Travel	\$12,511	\$7,608	\$40,000	\$10,000	\$10,000
Other Operating Expense	\$27,644	\$9,022	\$36,000	\$42,257	\$34,173
New Initiatives	\$0	\$0	\$0	\$0	\$0
Professional Development	\$23,411	\$15,000	\$20,000	\$0	\$0
<b>Total Operational Expenses</b>	<b>\$78,534</b>	<b>\$36,928</b>	<b>\$151,000</b>	<b>\$67,257</b>	<b>\$59,173</b>
<b>Total Expenditures</b>	<b>\$594,331</b>	<b>\$689,730</b>	<b>\$773,752</b>	<b>\$553,530</b>	<b>\$674,173</b>
<b>Net Result For Future Investments</b>	<b>\$317,428</b>	<b>\$240,654</b>	<b>\$17,018</b>	<b>\$20,643</b>	<b>\$0</b>
<b>LRSC In-Kind</b>	<b>\$207,094</b>	<b>\$208,195</b>	<b>\$208,345</b>	<b>\$210,000</b>	<b>\$220,000</b>

**GOALS AND STRATEGIES**

TrainND Southeast will continue its focus on awareness and expansion of services provided to business and industry. TrainND Southeast is actively working on new offerings with the equipment that was recently purchased through the legislative funding of \$1 million dollars last biennium. This funding was divided among the four regions, to purchase equipment specific to the business needs of our regions. The equipment listed below is part of our strategy to provide solutions that help prepare the workforce of the future and meet the latest trends in employer needs in the southeast region.

- ▶ TrainND Southeast is offering Robotic Manufacturing and Hydraulic Maintenance Training. The target industries are advanced manufacturing and value-added agriculture. We are now able to train technicians to perform various manufacturing and production line duties from programming and operations to trouble shooting and maintenance.
- ▶ FARO arm equipment was purchased, with operating and instructional software and training unit accessories. This training allows us to enhance and expand course offerings by providing more advance metrology training. This capability will help us better serve businesses and industries that manufacture products that use the following manufacturing processes, sheet metal (stamping, bending and forming), welding, and machining.

- ▶ A tractor/trailer for our CDL program was also purchased. The implementation of owning our tractor/trailer will allow us to expand our program to train more students and offer more flexibility, as well as customized training for business and industry.

TrainND Southeast is excited to launch On-Demand Learning this Spring 2015. This learning provides employees with high-impact, real-world training that develops your leaders, retains your best people and grows your customer loyalty. The content is short video courses that can be completed at your desktop, iPads or Smart Phones, 24/7. Our focus is the Technical courses including: DC Electrical, Air Conditioning and others.

**Objectives for FY 2016 and 2017:**

- Provide customized training to **440** regional businesses each fiscal year.
- Train **2295** employees (unduplicated count) each fiscal year.
- Hold **1600** Training Events each fiscal year.
- Meet budgeted training revenue as outlined in the Biennial Business Plan.
- Maintain a **98%** or higher satisfaction level for the training provided to business/industry.

**Strategies to be implemented in order to accomplish the objectives:**

- Serve as marketer, broker, and coordinator of training programs.
- Collaborate with business and industry to promote economic development.
- Efforts must continue to create awareness of training services across the region
- Collaborate with other regions.
- Expansion in identifying new trainers and facilitators areas of expertise.
- Provide training that business and industry need to compete globally.
- Align contract training programs with LERN's best practices and model.



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## BUDGET NARRATIVE

Funding sources for TrainND Southeast come from:

- direct training revenue
- state allocated dollars
- institutional funds

It is anticipated that direct training revenue will increase as business and industry continue to become aware of the training solutions that TrainND Southeast can provide.

Any funds remaining after expenses will be used to further develop training programs. North Dakota State College of Science contributes to the division by

providing projected in-kind support of \$383,400 in 2015 and \$391,400 in 2016. In-kind support includes office space, and plant services as well as indirect services including human resources, payroll, security, IT support, etc. Additional support is provided by the President and the Vice President of Academic Affairs.

TrainND Southeast has 11.5 FTE staff positions and 4 FTE trainer positions.

The following spreadsheet outlines the actual budgets for the TrainND Southeast.

FY 2013-2017 Statement of Revenues, Expenses and Funding Sources					
	Actual FY 2013	Actual FY 2014	Budget FY 2015	Budget FY 2016	Budget FY 2017
<b>REVENUES</b>					
Direct Training Revenues	\$1,770,976	\$1,688,511	\$1,730,000	\$1,819,859	\$1,857,000
Community/Regional Funds	\$0	\$0	\$0	\$0	\$0
Institutional Funds	\$118,632	\$0	\$0	\$0	\$0
Grant Funding	\$0	\$0	\$0	\$0	\$0
State General Fund	\$541,901	\$541,901	\$541,901	\$529,042	\$529,042
<b>Total Revenues</b>	<b>\$2,431,509</b>	<b>\$2,230,412</b>	<b>\$2,271,901</b>	<b>\$2,348,901</b>	<b>\$2,386,042</b>
<b>EXPENDITURES</b>					
<b>Total Direct Training Expenditures</b>	\$732,000	\$612,669	\$617,193	\$628,533	\$630,000
<b>Outreach/Coordination Expenses</b>					
Total Salaries/Wages and Benefits	\$1,220,174	\$1,140,518	\$1,096,777	\$1,128,870	\$1,152,000
<b>Operational Expenses</b>					
Marketing	\$26,000	\$34,000	\$35,000	\$35,000	\$35,000
Travel	\$58,300	\$62,000	\$56,000	\$58,500	\$58,500
Other Operating Expense	\$556,111	\$497,579	\$430,931	\$461,998	\$474,000
New Initiatives	\$0	\$0	\$0	\$0	\$0
Professional Development	\$27,957	\$35,708	\$36,000	\$36,000	\$35,000
<b>Total Operational Expenses</b>	<b>\$668,368</b>	<b>\$629,287</b>	<b>\$557,931</b>	<b>\$591,498</b>	<b>\$602,500</b>
<b>Total Expenditures</b>	<b>\$2,620,542</b>	<b>\$2,382,474</b>	<b>\$2,271,901</b>	<b>\$2,348,901</b>	<b>\$2,384,500</b>
<b>Net Result For Future Investments</b>	<b>-\$189,033</b>	<b>-\$152,062</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,542</b>
<b>NDSCS In-Kind</b>	<b>\$367,563</b>	<b>\$375,568</b>	<b>\$383,400</b>	<b>\$383,400</b>	<b>\$391,400</b>

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**GOALS AND STRATEGIES**

**Objectives for FY 2016 and 2017:**

- Provide training to **225** businesses each fiscal year with a 50% repeat rate.
- Train **2,800** employees (unduplicated head count) each fiscal year.
- Hold **675** training events each fiscal year.
- Contact **450** businesses in the southwest region each fiscal year.
- Maintain a **98%** or higher satisfaction level for the training provided to business/industry each fiscal year.
- Meet budgeted training revenues as outlined in the Biennial Business Plan.

**The following actions will be implemented in order to accomplish the objectives:**

- Continue expanding our trainers and facilitators portfolios of expertise.
- Consulting through assessments to determine training needs.
- Implementing a training needs analysis to become part of our clients' business strategy.
- Marketing and promoting the TrainND Southwest solutions and services.
- Researching and investing in curriculum development.
- Identify prospective clients to expand client base and create awareness of TrainND's services.
- Expand the energy training offerings as well as their delivery system, including hands-on operations, maintenance and technician training offered on-site and at the NECE, online apprenticeship training and online North American Electric Reliability Corporation Continuing Education Hours (CEH) training focused on NERC Standards, simulation and emergency operations.
- Align contract training programs with national best practices.
- Continue to provide talent development services to our clients to increase their human capital.

**BUDGET NARRATIVE**

The TrainND Southwest budget recognizes that training has leveled off over the past several years due in part to the maximization of staff time focused on repeat client needs. TrainND Southwest has two departments focused on TrainND activities. To place a greater focus on the high growth energy industry nationwide, BSC has created a National Energy Center of Excellence (NECE). This structure allows Continuing Education, Training and Innovation (CETI) to focus on the needs of the businesses in the southwest region of North Dakota.

Funding sources for TrainND Southwest come primarily from direct training revenue, state allocated dollars and institutional in-kind funding. Bismarck State College continues to support the efforts of TrainND Southwest by providing indirect services including office space, human resources, IT, security, and plant services (maintenance, parking, snow removal, etc.). The BSC in-kind line item recognizes this amount.

Direct training expenses include contract trainer salaries, training materials, training travel and training supplies. Revenue over expenses is recognized as Funds for Future Development and will be used to further develop training programs in the southwest region of the state including items such as new programs and equipment.

TrainND Southwest has 11.86 FTE staff positions and 2.6 FTE trainer positions.



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### FY 2013-2017 Statement of Revenues, Expenses and Funding Sources

	Actual Combined FY 2013	Actual Combined FY 2014	Budget Combined FY 2015	Budget CETI FY 2016	Budget NECE FY 2016	Budget Combined FY 2016	Budget CETI FY 2017	Budget NECE FY 2017	Budget Combined FY 2017
<b>REVENUES</b>									
Direct Training Revenues	\$1,199,624	\$1,523,639	\$1,282,614	\$1,052,620	\$325,000	\$1,377,620	\$1,091,886	\$335,000	\$1,426,886
Community/ Regional Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Institutional Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grants	\$254,559	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State General Fund	\$390,786	\$383,925	\$383,925	\$383,925	\$0	\$387,838	\$383,925	\$0	\$387,838
<b>Total Revenues</b>	<b>\$1,844,969</b>	<b>\$1,907,564</b>	<b>\$1,666,539</b>	<b>\$1,436,545</b>	<b>\$325,000</b>	<b>\$1,765,458</b>	<b>\$1,475,811</b>	<b>\$335,000</b>	<b>\$1,814,724</b>
<b>EXPENDITURES</b>									
<b>Total Direct Training Expenditures</b>	<b>\$646,457</b>	<b>\$729,827</b>	<b>\$743,000</b>	<b>\$622,978</b>	<b>\$202,400</b>	<b>\$825,378</b>	<b>\$641,667</b>	<b>\$210,000</b>	<b>\$851,667</b>
<b>Outreach/ Coordination Expenses</b>									
Salaries/Benefits	\$770,773	\$734,937	\$777,763	\$713,567	\$103,500	\$817,067	\$732,154	\$107,000	\$839,154
1005 Marketing	\$42,062	\$23,900	\$30,500	\$20,000	\$7,000	\$27,000	\$21,000	\$7,000	\$28,000
1003 Travel	\$23,971	\$17,789	\$20,000	\$10,000	\$7,000	\$17,000	\$10,000	\$7,000	\$17,000
1004 Other Operating Costs	\$27,164	\$49,875	\$33,000	\$33,000	\$2,500	\$35,500	\$33,990	\$1,500	\$35,490
1007 New Initiatives	\$5,321	\$27,099	\$43,500	\$20,000	\$1,500	\$21,500	\$20,000	\$1,000	\$21,000
1006 Professional Development	\$22,601	\$11,039	\$18,500	\$17,000	\$1,000	\$18,000	\$17,000	\$1,000	\$18,000
<b>Total Operating Expenses</b>	<b>\$121,119</b>	<b>\$129,702</b>	<b>\$145,500</b>	<b>\$100,000</b>	<b>\$19,000</b>	<b>\$119,000</b>	<b>\$101,990</b>	<b>\$17,500</b>	<b>\$119,490</b>
<b>Total Expenses</b>	<b>\$1,538,349</b>	<b>\$1,594,466</b>	<b>\$1,666,263</b>	<b>\$1,436,545</b>	<b>\$324,900</b>	<b>\$1,761,445</b>	<b>\$1,475,811</b>	<b>\$334,500</b>	<b>\$1,810,311</b>
<b>TrainND Funds for Future Development</b>	<b>\$306,620</b>	<b>\$313,098</b>	<b>\$276</b>	<b>\$0</b>	<b>\$100</b>	<b>\$4,013</b>	<b>\$0</b>	<b>\$500</b>	<b>\$4,413</b>
<b>BSC In-Kind</b>	<b>\$357,945</b>	<b>\$406,410</b>	<b>\$422,668</b>	<b>\$0</b>	<b>\$0</b>	<b>\$591,372</b>	<b>\$0</b>	<b>\$0</b>	<b>\$614,108</b>

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# trainNEED

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# Serving the training needs of **business & industry.**



## ACCOMPLISHMENTS FOR 2015-2016 FISCAL YEAR

### MISSION STATEMENT

TrainND provides training for North Dakota business and industry, enhancing their ability to compete globally.

### FY COMPARISONS

Number and percent of businesses in the region receiving training participants (unduplicated)  
 participants (duplicated)  
 number and percent of businesses in the region requesting repeat or additional training  
 companies served with <50 employees  
 total revenue  
 direct training revenue  
 training sessions  
 contact hours

	2016	2015
Number of businesses in the region receiving training participants (unduplicated)	347	369
participants (duplicated)	4.2%	5%
number and percent of businesses in the region requesting repeat or additional training	5,814	11,923
companies served with <50 employees	8,647	16,660
total revenue	272	294
direct training revenue	78%	80%
training sessions	246	281
contact hours	\$2,594,307	\$4,592,400
	\$1,952,782	\$3,938,460
	1,024	1,462
	45,372	120,402

### 2016 HIGHLIGHTS

- Certified Nursing Assistant Program  
25 hrs. online, 25 hrs. lab, 25 hrs. clinical training
- Certified instructors in PEC H2S Clear
- WellSharp Well Control for Drilling
- Lease Operator Training with hands-on simulations
- Crane Training – Rigging, Signalperson, Articulating, Lattice, Mobile, Fixed Cab
- Utility Locater
- Emergency Evacuation Planning/ Consulting

### CLIENTS TRAINED FY 16

Companies Served by North America Industry Classification System Code

NAICS	Description	No. of Companies	Percent
11	Ag, Forestry, Fishing, Hunting	31	8%
21	Mining	197	56%
22	Utilities	5	1%
23	Construction	19	5%
44	Retail Trade	1	1%
42	Wholesale Trade	1	1%
48	Transportation	41	12%
52	Finance and Insurance	1	1%
54	Professional, Scientific, and Technical	1	1%
61	Educational Services	5	1%
62	Health Care & Social Assistance	3	1%
71	Arts, Entertainment, Gaming, Recreation	2	1%
81	Other Services	29	8%
92	Gov't Public Administration	8	2%
32	Manufacturing	3	1%
	<b>TOTAL</b>	<b>347</b>	<b>100%</b>



# NORTHWEST ADVISORY BOARD 2016

Tim Schmidt (Chair)  
Rock Pile Energy

Natalia Simacheva  
Schlumberger

Brent Eslinger  
Halliburton

Todd Appel  
Missouri Basin

Peggy Brown  
Marathon Oil

Rory Nelson  
ND Energy Coordinator

Shawn Wenko  
Economic Development

Dennis Guenther  
SM Energy

George Haux  
Well Pro

Kent Evans  
StatOil

John Lee  
Oasis Petroleum

Cary D. Longie  
Nuverra Environmental  
Solutions

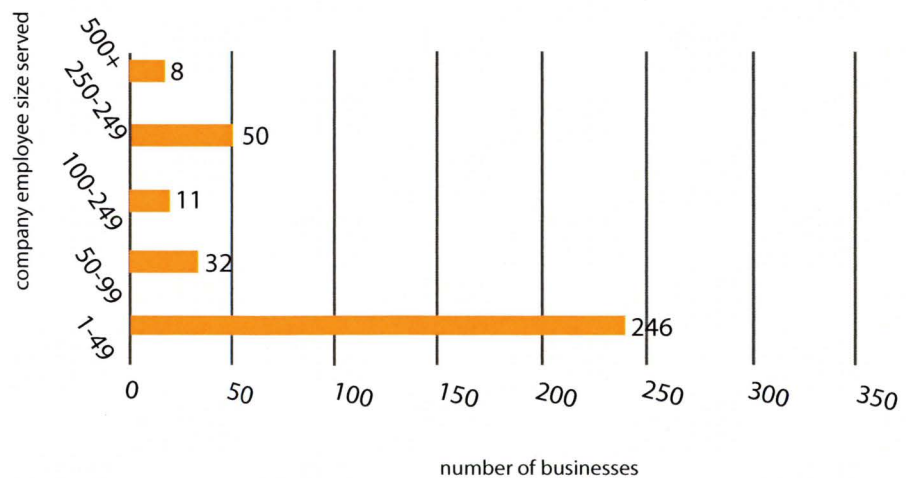
Doug Magnus  
Strata Corporation

Stewart J. Peterson  
Steel Energy Services, LTD



TECHNICAL/SPECIALITY TRAINING	Sessions	Participants
Aerial Lift Training	18	99
Commercial Drivers License	5	23
Confined Space	20	136
Crane Certification Class	15	85
Defensive Driving	30	194
Excavation	3	13
Floorhand for Well Service	3	12
Forklift Training	26	148
Hazwoper	10	64
Loader Training	32	185
Marathon Oil Safety Orientation	23	410
OSHA Numbered Courses (501/511, 2264, 5810, 7300, 7505)	7	29
Certified Nursing Assistant Training/Testing	Open Schedule	87
Statoil Safety Orientation	140	2,703
Well Control for Drillers/Workovers	12	86
<b>TOTAL</b>	<b>344</b>	<b>4,274</b>

## OUR CUSTOMERS



### TrainND NW Managers:

Dennis Knudson  
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Tanya Vachal  
Tanya.vachal@willistonstate.edu

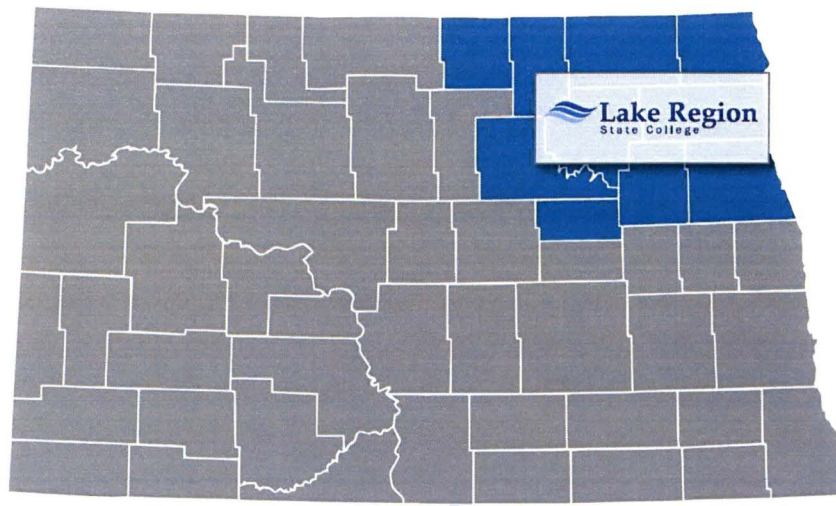
Kim Wenko  
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Shanna Curlin  
Shanna.curlin@willistonstate.edu

Andy Reeves  
Andy.reeves@willistonstate.edu

**The TrainND Northwest Provider**

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# Serving the training needs of **business & industry.**

## ACCOMPLISHMENTS FOR 2015-2016 FISCAL YEAR

### YEAR END REPORT

- ▶ Direct training revenue was **\$230,526**
- ▶ Trained **1,459 unduplicated** employees
- ▶ Delivered **11,923** contact hours
- ▶ Contacted **737** businesses in the region
- ▶ Served **179** businesses
- ▶ **84** businesses requested additional training, resulting in **47%** repeat business
- ▶ **100%** of the clients served were fully satisfied with the training and the responsiveness of TrainND Northeast
- ▶ **99.7%** of training participants were fully satisfied with the training provided
- ▶ In addition to the **63** CNA non-credit enrollees, **26** students enrolled in CNA for college credit

### MISSION STATEMENT

TrainND provides training for North Dakota business and industry, enhancing their ability to compete globally.

### FY COMPARISONS

number of businesses served  
 participants (unduplicated)  
 registrations (duplicated)  
 businesses requesting additional training  
 companies served with <50 employees  
 direct training revenue  
 training events  
 contact hours

	<u>2016</u>	<u>2015</u>
number of businesses served	179	145
participants (unduplicated)	1,459	1,108
registrations (duplicated)	1,821	1,634
businesses requesting additional training	84	56
companies served with <50 employees	129	97
direct training revenue	\$230,526	\$242,223
training events	284	277
contact hours	11,923	13,011



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"All the attendees commented on how they enjoyed the course and about the beneficial information they acquired from the course." - Kent Braathen, Braathen Harvesting, 2-Day Agricultural Safety & Equipment Training

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# ADVISORY BOARD

**Karissa Olson**  
Eventide Heartland Care Center

**Brad Orzman**  
Ideal Aerosmith

**Carla Higgins**  
Job Service North Dakota

**Lori Brown**  
Spirit Lake Nation

**Kathy Langowski**  
Altru Health

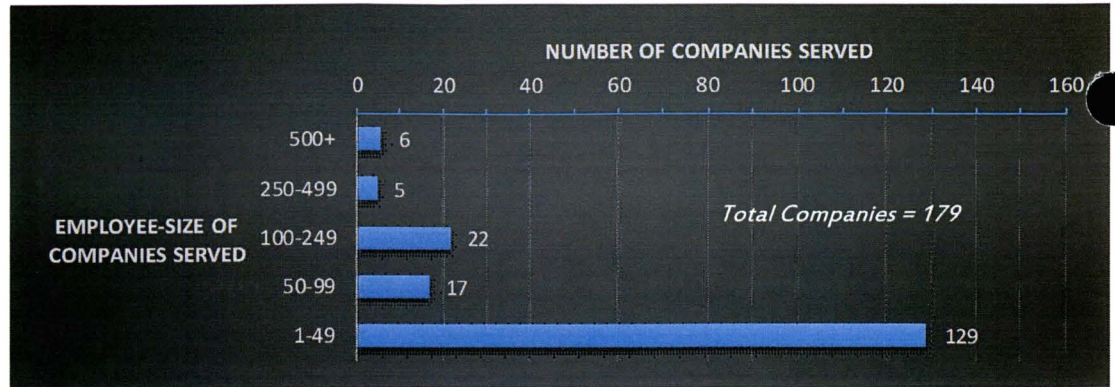
**Kim Klinger**  
Custom Aire

**Matt Slater**  
Pizza Ranch

**Tami Martin**  
Black Gold Farms

**Wayne Brandt**  
Bergstrom Automotive

## OUR CUSTOMERS



## CLIENTS TRAINED

Companies Served by North American Industry Classification System Code

NAICS	Description	# of Companies	Percent of Total
11	Agriculture, Forestry, Fishing and Hunting.....	3	2
22	Utilities.....	4	2
23	Construction.....	4	2
31	Manufacturing.....	5	3
43	Wholesale Trade.....	2	1
44	Retail Trade.....	8	4
48	Transportation.....	1	1
51	Information.....	4	2
52	Finance & Insurance.....	11	6
53	Real Estate and Rental.....	2	1
54	Professional, Scientific & Technical.....	5	3
61	Educational Services.....	23	13
62	Health Care and Social Assistance.....	60	34
71	Arts, Entertainment & Recreation.....	5	3
72	Accommodation & Food Services.....	4	2
81	Other Services.....	11	6
92	Public Administration.....	27	15
	<b>Total:</b>	<b>179</b>	<b>100</b>

**David Steffen, Director**  
david.p.steffen@lrsc.edu

**Matthew Follman, Account Specialist**  
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**Brittany Hanson, Operations Manager**  
brittany.r.hanson@lrsc.edu

**Amanda Zeien, Administrative Assistant**  
amanda.zeien@lrsc.edu

**[It's a competitive world. Train for it!]**

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**lrsc.edu/workforce**



Photo credit: Calleamanecer



**trainNE**  
NORTHEAST

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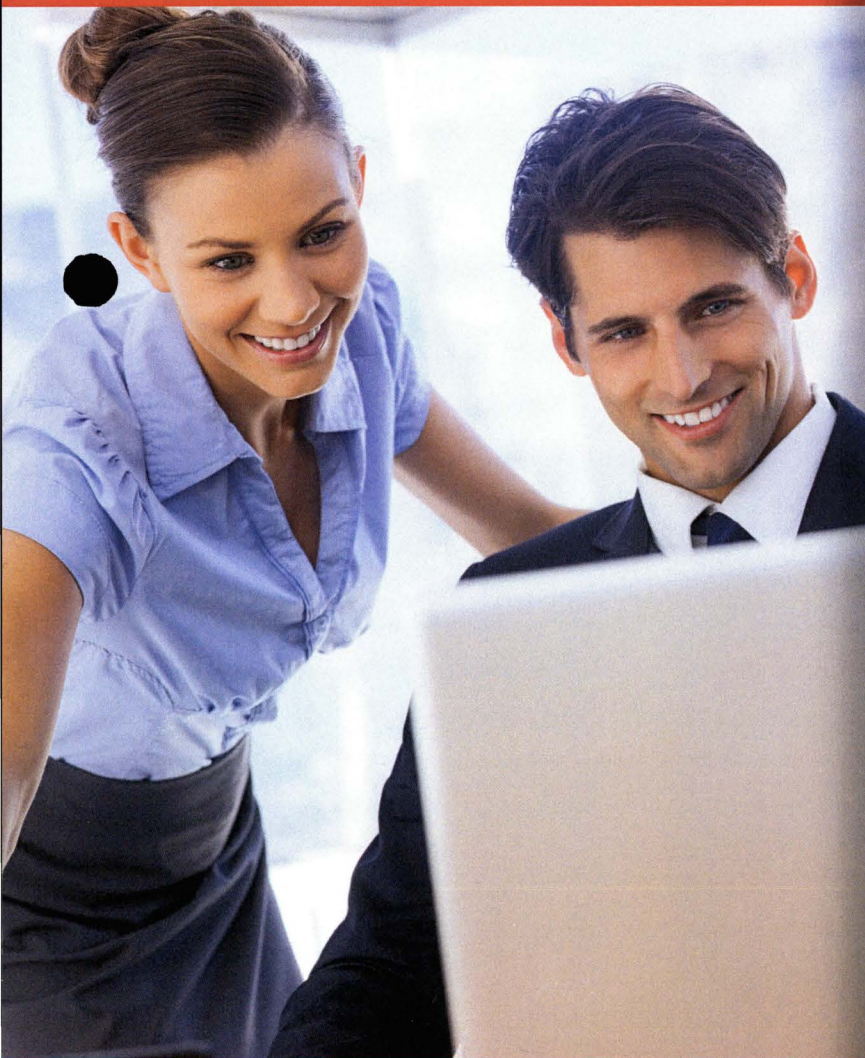
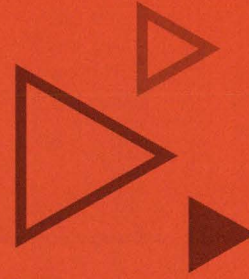
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Annual Report

# 2015-2016 Fiscal Year

Providing Training Solutions  
for Business & Industry



## BY THE NUMBERS

<b>304</b>	Businesses Served
<b>251</b>	Repeat Business
<b>1,354</b>	Training Events
<b>1,503</b>	Participants (unduplicated)
<b>2,889</b>	Registrations (duplicated)
<b>136,651</b>	Total Training Hours
<b>99%</b>	Satisfaction Level
<b>\$1,126,499</b>	Revenue Generated from 2015-2016 Fees

## OUR CUSTOMERS

Firm Size	Number of Firms
1 to 49	242
50 to 99	39
100 to 249	14
250 to 499	8
500 to 9,999	1
<b>Total</b>	<b>304</b>

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**NDSCS.EDU/TRAINING**

**trainNE**  
SOUTHEAST

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North Dakota State College of Science

## CLIENTS TRAINED

NAICS Codes		Number of Firms
20	Agriculture, Forestry	10
21	Mining	0
22	Utilities	14
23	Construction	169
31	Manufacturing	49
43	Wholesale Trade	14
44	Retail Trade	8
48	Transportation	4
51	Information	0
52	Finance and Insurance	5
53	Real Estate and Rental	1
54	Professional Science and Technology	2
55	Management of Companies	0
56	Administration Support	3
61	Educational Services	5
62	Health and Social Services	12
71	Arts, Entertainment	1
72	Accommodation, Food Service	2
81	Other Services	1
93	Public Administration	4

**TOTAL** **304**

## TRAINING DELIVERED

Subject Code		Number of Classes
Computer Training		111
Organizational		4
Softskills		16
Technical Training		150
Apprenticeship		1,073

**TOTAL** **1,354**

## SOUTHEAST ADVISORY BOARD MEMBERS

### Jim Johnson

U.S. Bancorp Service Center Inc.

### Carey Fry

Job Service North Dakota

### Carter Hansen

ComDel Innovation

### Dustin Ulmer

Roers Construction

### Ellie Nickel

Doosan/Bobcat® Company

### Shane Thorstenson

Trail King Industries, Inc.

### Todd Morken

Sanford™ Health

### Carla McGarry

Caterpillar Remanufacturing Drivetrain, LLC

### DelRay German

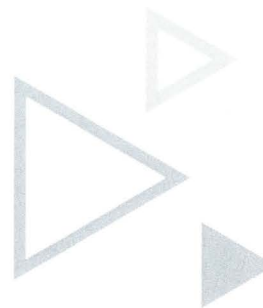
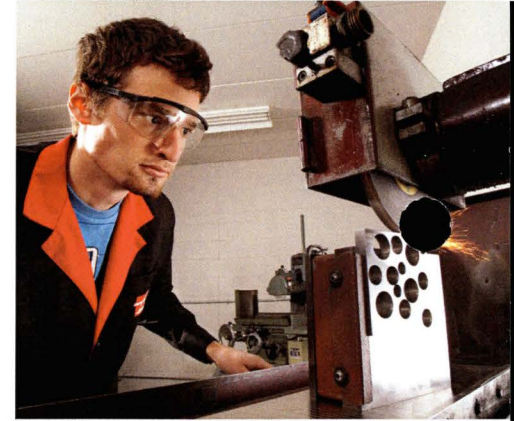
Sisseton-Wahpeton Tribal Employment Rights Office

### Kent Schimke

Dickey Rural Network

### Tifanie Gelinske

Greater Fargo/Moorhead EDC



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## MISSION STATEMENT

TrainND provides training for North Dakota business and industry, enhancing their ability to compete globally.

**trainND**  
SOUTHEAST

800 6th St. N., Wahpeton, ND 58076  
800-342-4325 | NDSCS.edu/Training



# Serving the training needs of business & industry.

## ACCOMPLISHMENTS FOR 2015-2016 FISCAL YEAR

### YEAR END REPORT

- Direct training revenue was **1,633,611** based on a FY budget of \$1,377,620
- Served **246** businesses, with a goal of 225
- Additional training was requested by **144** of the businesses served, resulting in **60%** repeat business.
- **659** training events were held with a goal of 675.
- **96%** of business/industry served, were satisfied with training (based on evaluation scale of 4 pt. vs. 5 pt.)
- Contacted **338** businesses in the region, with a goal of 450.
- Trained **3,132** unduplicated participants with a goal of 2,800 per fiscal year

### MISSION STATEMENT

TrainND provides training for North Dakota business and industry, enhancing their ability to compete globally.

### FY COMPARISONS

number of businesses  
 participants (unduplicated)  
 participants (duplicated)  
 businesses requesting additional training  
 companies served with < 50 employees  
 total revenue  
 direct training revenue  
 events  
 contact hours

	2015	2016
number of businesses	264	246
participants (unduplicated)	2,873	3,132
participants (duplicated)	5,102	6,093
businesses requesting additional training	56%	60%
companies served with < 50 employees	15%	9%
total revenue	\$1,782,884	\$2,005,741
direct training revenue	\$1,398,959	\$1,633,611
events	659	659
contact hours	72,830	73,999

### CLIENTS TRAINED

Companies Served by North American Industry Classification System Code

NAICS	Description	# of Companies	# of Participants
11	Agriculture .....	1	52
21	Mining Oil and Gas .....	7	52
22	Utilities .....	133	2384
23	Construction .....	5	14
31	Manufacturing .....	9	25
42	Wholesale Trade .....	3	34
44	Retail Trade .....	3	4
52	Finance/Insurance .....	7	120
54	Professional, Scientific & Technical .....	10	23
55	Management of Companies .....	1	1
61	Educational Services .....	17	1254
62	Healthcare/Social Assistance .....	8	24
71	Arts, Entertainment, and Recreation .....	2	37
81	Other Services .....	9	46
92	Public Administration / Government /Police/Fire.....	31	1395
99	Open Enrollment (no company specified)		628

**TOTAL 246 6093**



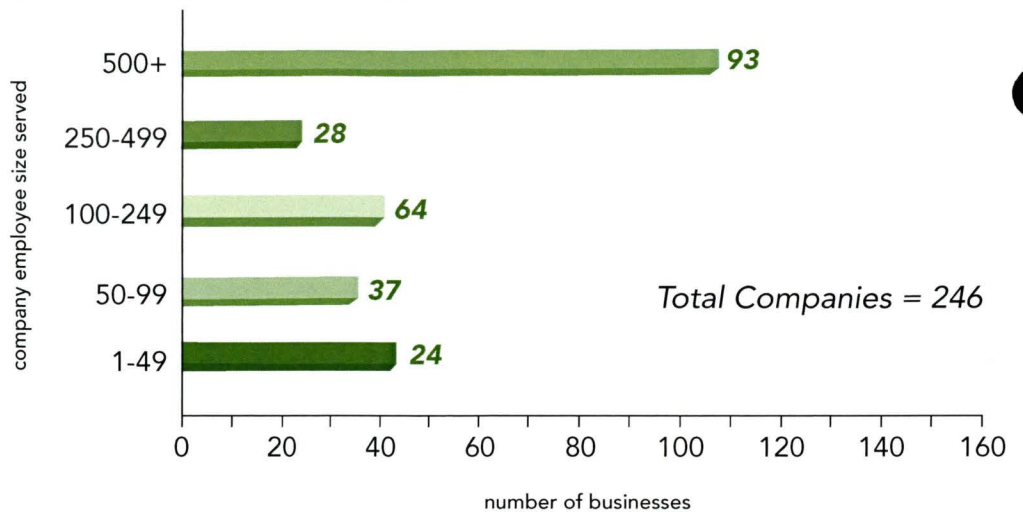
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The Southwest TrainND Provider



## OUR CUSTOMERS



## ADVISORY BOARD

**Chris Blowers**  
BNI Coal  
Bismarck, ND

**Phil Davis**  
Job Service ND  
Bismarck, ND

**Michelle Fiedler**  
Baptist Home  
Bismarck, ND

**Deb Gallagher**  
Capital Credit Union  
Bismarck, ND

**Jody Hoff**  
Amber Waves Inc.  
Richardton, ND

**Valarie Minery**  
Sitting Bull College  
Fort Yates, ND

**Wendlin Platz**  
Boilermakers Lodge 647  
Bismarck, ND

**Judy Sauter**  
BMDA  
Bismarck, ND

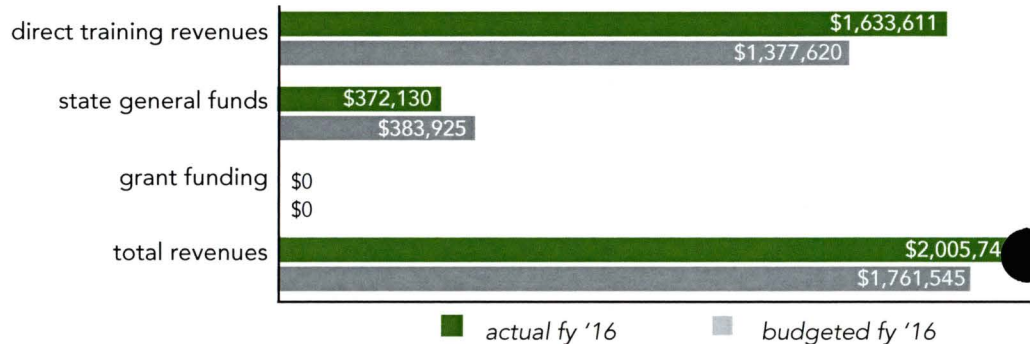
**Reese Boehm**  
Great River Energy  
Underwood, ND

**Carrie Zubke**  
American Bank Corp. Ltd.  
Dickinson, ND

**Jamey Backus**  
Leland Olds Station  
Stanton, ND

**Uma Hoffmann**  
Steffes Corporation  
Dickinson, ND

## BUDGET July 2015 through June 2016



### TrainND SW:

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**Lori Heinsohn**  
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**Dave Huizenga**  
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**Sara Vollmer, Director**  
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**Alison Zarr**  
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p 701.224.5600

t 877.846.9387

[bismarckstate.edu/ceti/training](http://bismarckstate.edu/ceti/training)

**trainND**  
SOUTHWEST

Powered by: Bismarck State College

[It's a competitive world. Train for it.]

24

SB 2019/2079  
1-4-2017  
#6

FMWF Chamber Testimony  
Given by: Bernie Dardis, Board of Directors  
SB 2079 – TrainND

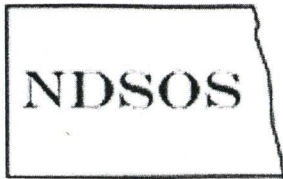
Mr. Chairman, members of the committee, my name is Bernie Dardis and I am here today as a member of the Board of Directors for the Fargo Moorhead West Fargo Chamber of Commerce. Our Chamber is made up of over 2,100 Chamber member businesses and we represent over 104,000 employees. We are the largest local Chamber of Commerce in North Dakota and Minnesota.

Close to three years ago, the Chamber partnered with the Greater Fargo Moorhead Economic Development Corporation, United Way of Cass-Clay, Fargo Moorhead Convention & Visitors Bureau, and the Fargo Moorhead Area Foundation to conduct an extensive study into the workforce shortage that our region faces. This study looked at every facet of the workforce issue including education, opportunities, wages and quality of life. One of the most important things that we learned was how pertinent skills training is to the long-term solution of our workforce shortage.

TrainND is an important tool when it comes to training our skilled workforce. TrainND professionals work hand in hand with their community partners to create comprehensive and customized employee training programs. It is with that collaborative spirit that TrainND makes a positive impact with the clients that it serves.

Today, I ask you to support the \$2.6 million appropriation to allow TrainND to sustain its current work. Steady and consistent funding since its creation has been key to the success of the program. As our state economy changes it is important that we create opportunities for businesses to invest in their employees so they may have a profound impact on the economy and industry at the local, regional and global level.

Thank you for your time.



# North Dakota Small Organized Schools

Mr. ElRoy Burkle  
Executive Director  
1419 9<sup>th</sup> Ave NE  
Jamestown, 58401  
[elroy.burkle@k12.nd.us](mailto:elroy.burkle@k12.nd.us)  
701-230-1973

Mr. Larry Zavada  
President  
401 3<sup>rd</sup> Ave SW  
Wolford, ND 58385  
[larry.zavada@k12.nd.us](mailto:larry.zavada@k12.nd.us)  
701-583-2387

Mrs. Janet Brown  
Business Manager  
925 Riverview Drive  
Valley City, ND 58072  
[janet.brown@k12.nd.us](mailto:janet.brown@k12.nd.us)  
701-845-2910

2019/2019  
1-4-2017  
#7

January 4, 2017

Dear Senate Appropriations Committee Members,

For the record, my name is Mr. ElRoy Burkle, Executive Director of the North Dakota Small Organized Schools (NDSOS), which represents 141 North Dakota Public School Districts. We are in support of funding ND CTE at the 2015-17 levels as proposed in SB 2109. The reductions as proposed in SB 2179 will place added financial strain on CTE programs. As numerous bills are reviewed, proposed cuts in CTE, DPI – Transportation, IT and other education related programs will negatively impact schools that are experiencing slight enrollment increase, stable enrollments and, obviously, declining enrollments.

When the 2017-19 Executive Budget was proposed this past December, it was shared that North Dakota currently had over 10,000 job openings and a recent article indicated that several oil companies are once again advertising for fracking employees. Career and Technical Education prepares students for many of these employment opportunities and is an integral component in North Dakota Schools. Maintaining appropriate funding levels to off-set local costs assists local school districts in promoting and implementing sound CTE programs; keeping program reductions and tax increases at a minimum.

As a former North Dakota School administrator, I have personally witnessed the positive effects that Career and Technical Education Programs have on students. These programs assist students in applying academics to real life situations, developing career pathways, developing positive social and professional skills, and in sum, prepares them for their next steps in life after high school graduation.

I ask for consideration to maintain funding at the original 2015-17 levels.

In closing, thank you for your time and feel free to contact me with any questions.

Respectfully,  
s/s Mr. ElRoy Burkle  
Mr. ElRoy Burkle, Executive Director  
North Dakota Small Organized Schools (NDSOS)  
1419 9<sup>th</sup> Ave NE  
Jamestown, ND  
701-230-1973  
[elroy.burkle@k12.nd.us](mailto:elroy.burkle@k12.nd.us) or [eburklendsos@yahoo](mailto:eburklendsos@yahoo)

### Board of Directors

#### Region 1

Mr. Tim Holte, Supt. Stanley  
Ms. Leslie Bieber, Alexander

#### Region 2

Mr. Larry Zavada, Supt. Wolford  
Mr. Steven Heim, Anamoose & Drake

#### Region 3

Mr. Frank Schill, Supt. Edmore  
Mr. Dean Ralston, Supt. Drayton

#### Region 4

Mr. John Pretzer, Supt. Scranton  
Mr. Jim Gross, Supt. Selfridge

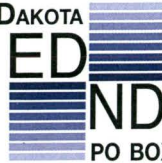
#### Region 5

Mr. Lori Carlson, Bd. Member Barnes Co. North  
Mr. Brandt Dick, Supt. Underwood

#### Region 6

Mr. Mitch Carlson, Supt. LaMoure  
Mr. Tom Retting, Supt. Enderlin

The mission of NDSOS is to provide leadership for the small/rural schools in North Dakota and to support legislation favorable to their philosophy while opposing legislation that is harmful.



*SB 2019/2079*

*1-4-2017*

*# 8*

**Testimony of Connie Ova, Vice President  
Jamestown/Stutsman County Development Corporation  
In Support of SB 2079  
January 4, 2017**

Chairman Holmberg and members of the Senate Appropriations:

The Economic Development Association of North Dakota (EDND) represents more than 80 state economic development organizations on the front line of economic development efforts throughout North Dakota. The primary purpose of the organization is to support the creation of new wealth and the diversification of North Dakota's economy, which requires a trained and skilled workforce. It is for these reasons our organization and its members want to express support for SB 2079.

Workforce development is integral in creating a diversified economy and creating better employees and competitive companies. The training provided by these programs is tailored to the needs of businesses and provides tools for more efficient and productive employees.

TrainND, in particular, provides critical support and training for businesses and employees across the state. Through collaboration between state, business and education systems, comprehensive and customized employee training is created for the critical workforce shortages throughout the state. Welders, IT professionals, line workers, drivers, frontline office staff and oil and gas technicians are a few of the areas where TrainND has created world class training. Bobcat in Fargo, Posi-Lock in Cooperstown, Harris Machine in Oakes and UTC in Jamestown are a few of the companies that have utilized these programs to reduce their downtime and improve production.

EDND supports continued funding for this viable program that brings business, higher education and employees together. TrainND has continually grown their enrollment with nearly 20,000 workers in the state receiving additional skills in 2016. The need for training has increased as two of the primary economies in the state remain stagnant.

*/*

As economic developers and communities continue to seek diversification of our state's economy, the need to train current and future employees will grow. TrainND provides our members additional tools to help grow local economies and diversify our small and growing businesses.

The availability of a high-quality competitive workforce will continue to be a significant challenge facing North Dakota businesses. This will in turn impact the potential of the state's economy. EDND supports the investments included in this bill and the development of workforce training strategies that address the diversification and growth of businesses and employees.

Thank you for this opportunity to address your committee and express our support of TrainND and SB 2079.



**January 4, 2017**  
**The Honorable Senator Ray Holmberg**  
**Appropriations Committee**  
**Re: Support for Senate Bill 2079**

*SB 2019/2079*  
*1-4-2017*  
*#9*

Chairman Holmberg and members of the committee:

My name is Brent Bogar and I am representing the Greater North Dakota Chamber. The GNDC works on behalf of all our members to support building a strong, vibrant business climate in North Dakota.

The CTE program is one that the GNDC strongly supports. The mission and of CTE is “to provide citizens of North Dakota with the technical skills, knowledge and attitudes necessary for successful performance in a globally competitive workplace.” This goal is about helping to educate and train people so that they can find not just a job, but a career in North Dakota as we continue to look to expand and diversify the state’s economy.

As the state chamber, we believe that CTE helps to build up the quality workforce necessary to move North Dakota forward. It was noted by the National Academy of Science when they visited Fargo a few years ago that 85% of the open jobs in North Dakota required a 2 year technical degree or less. Our goal as an organization is to represent our member’s interests, and to that end supporting programs like CTE that will provide them with qualified employees. Not only does this support the business community, but also the entire state by having a more skilled workforce that allows for more opportunities for growth.

I would again ask for your support and a DO PASS recommendation and stand for any questions that you may have.



Daryl Hovland  
Director

#10

## City of Grand Forks

Human Resources Department  
255 North Fourth Street - P. O. Box 5200 - Grand Forks, ND 58206-5200  
An Equal Opportunity Employer

(701) 746-2665  
Fax # (701) 787-3767

December 19, 2016

SB 2019/2079

1-4-17

North Dakota Legislature  
600 E Boulevard  
Bismarck, ND 58505-0360

Dear Representatives:

It is a pleasure to write in support of TrainND. During the past five years, the Human Resource department at the City of Grand Forks has collaborated with TrainND to complete our annual Leadership Academy. TrainND offers high quality training services that meet the needs of our diverse workforce. The City of Grand Forks has utilized TrainND for computer program, communication, and team building training sessions. We have always been thrilled by their work and ability to customize their trainings to meet our employee development needs.

The TrainND staff members are always very helpful and respectful. They take the initiative to plan and carry out successful sessions so that there are never any unpleasant surprises. They are also up to date on the latest trends and needs of our workforce area and take a proactive approach to everything that they do. This has added a vast amount of value to the City of Grand Forks. If you would like further elaboration, feel free to call me at 701-746-2667.

Sincerely,

Daryl Hovland  
Human Resource Director

SB 2019/2079

388 Division Street  
Pembina, ND 58271

1-4-17

# 11



**U.S. Customs and  
Border Protection**

Eric J. Kuhn  
Patrol Agent in Charge  
U.S. Border Patrol  
388 Division St  
Pembina, ND 58220  
December 20, 2016

Senator Ray Holmberg  
Chairman  
Senate Appropriations Committee  
600 East Boulevard  
Bismarck, ND 58505-0360

Dear Senator Ray Holmberg:

The Grand Forks Sector of the United States Border Patrol (USBP), responsible for operations in the states of North Dakota and Minnesota, writes in support of TrainND Northeast. The USBP is the mobile, uniformed law enforcement arm of U.S. Customs and Border Protection within the Department of Homeland Security responsible for securing U.S. borders between ports of entry.

In pursuit of leadership excellence the U.S. Customs and Border Protection (CBP), the parent agency of the USBP, requires that all organization leaders participate in a minimum of 16 hours of leadership training annually. In the rural, sparsely populated areas that make up the majority of the Grand Forks Sector these training opportunities are hard to find and often times extremely expensive when available. Fortunately, TrainND Northeast located at Lake Region State College was able to fill the void and deliver 16 hours of high quality leadership training are a reasonable cost.

During Fiscal Year 2016, area USBP leaders were having difficulty acquiring their required leadership training and through word of mouth TrainND Northeast heard of our predicament and contacted us with a two-day class with an excellent curriculum. What made the training truly outstanding was the instructor, Captain Kyle Ternes of the North Dakota Highway Patrol. Not only did he bring a wealth of knowledge on leadership to the table but he could communicate it effectively to an audience of mostly law enforcement leaders, which would have been difficult for someone from outside the law enforcement community. This combination of curriculum and instructors makes TrainND Northeast an invaluable resource for the residents of this region.

1

Senator Ray Holmberg

December 20, 2016

Page 2

Not only did TrainND have the curriculum and instructor but they were also able to fill some of the seats with members of the community from private industry, education, and local government. This made for a good mix and the ability to discuss leadership in various environments. TrainND placing members of the community into the class helped to break down many of the barriers that can exist between citizens and law enforcement. This training helped to create connections and networks that will benefit all of the participating agencies in the future.

Overall, the USBP was extremely impressed with the training delivered as well as the professionalism, dedication, and hard work of all the staff at TrainND. It also allowed us to identify areas and training assets that we could offer to the Lake Region State College (POST Academy) and the North Dakota Highway Patrol.

In these times of competing priorities and constrained budgets it is important that organizations, such as TrainND Northeast, not be overlooked. The types of valuable downstream benefits that TrainND Northeast provides to the state should not be forgotten during your deliberations.

Thank you for taking our support for TrainND into consideration.

Sincerely,



Eric J. Kuhn

cc: Appropriations Committee Members

2

SB2019-2079

1-4-17

#12

# Cavalier County

Job Development Authority

901 3rd Street Suite 5 ∞ Langdon, ND 58249 ∞ Phone: 701-256-3475 ∞ Fax: 701-256-3536 ∞ E-mail: shannon@utma.com

December 20, 2016

Langdon City Commission  
324 8<sup>th</sup> Ave.  
Langdon, ND 58249

Dear Senate Appropriations Committee Members and Senator Ray Holmberg, Chairman:

Senate Appropriations Committee, thank you for taking the time to read this letter. I would like to express my support for TrainND. We have used the services of TrainND several times over the past few years and our entire community has gained great value from those services.

Let me provide you an example. Our local ambulance service is extremely short of volunteers. There are currently less than 10 individuals who take call on a consistent basis. When you consider 2 people have to be on call at all times, 24 hours a day 365 days a year, the amount of call gets to be a burden. If a community ends up in a situation where they do not have enough EMTs, they run the risk of losing their ambulance service. CCJDA did some research to determine the cause for the shortage and we found that the training to be an EMT is extensive and expensive and in the past has been offered out of town which added the additional burden of having to drive to receive the training.

Although having never offered this extensive of a course in the past, TrainND worked with us to design a training that could be offered in town at a reasonable cost. I am happy to report that we currently have 12 individuals taking the training to become EMTs, which I am told is the largest number of volunteers Langdon has ever had trained in one course. The impact the addition of 12 fresh volunteers will have on our local ambulance squad is tremendous and it will go a long way toward insuring the suitability of ambulance service in Cavalier County. This would not have happened without the services of TrainND.

Thank you,



Shannon Duerr  
CCCJDA Executive Director



SB2019-2079

1-4-17

#13

December 21, 2016

Senate Appropriations Committee  
Senator Ray Holmberg, Chairman  
600 East Boulevard Avenue  
Bismarck, ND 58505-0360

RE: TRAIN ND LETTER OF SUPPORT

Dear Chairman Holmberg and Senate Appropriation Committee Members:

We write in support of Train ND Northeast and the programs they offer to our rural businesses and communities. The Pembina County Job Development Authority (JDA) and Walsh County Job Development Authority (JDA) have co-sponsored Train ND classes for the past three years and the Pembina County JDA was the sole sponsor for several years prior. We partnered with Train ND again in 2016 to offer several valuable training courses to the businesses in the communities we serve.

We expect to strengthen our already valuable partnership with Train ND in 2017 by working with them to offer classes to our manufacturing businesses. Manufacturing is the number one employer in Pembina County and there are over 1,200 manufacturing jobs between Pembina and Walsh Counties. Recent business retention and expansion program visits revealed a large number of manufacturers are seeking training opportunities for both management and employees and we are confident that Train ND can put together a strong list of beneficial courses for the coming year.

We appreciate your continued support of Train ND Northeast.

Sincerely,

A handwritten signature in blue ink that reads "Maggie Suda".

Maggie Suda, Developer  
Pembina County JDA

A handwritten signature in blue ink that reads "Julie Campbell".

Julie Campbell, Director  
Walsh County JDA

1

SB 2019/2079  
1-4-2017  
# 14

December 22, 2016

Dear Chairman Holmberg and members of the Senate Appropriations Committee,

As administrator of Eventide Heartland Care Center in Devils Lake, I am writing in support of TrainND NE. I have had the opportunity to work with TrainND NE for several years, including serving as an Advisory Board Member.

As a long-term care administrator, TrainND has proved to be a valuable resource to our industry. In an industry with every changing staffing needs, we have found them to be an excellent partner in that they are flexible to design and instruct classes according to our needs. We have partnered with them for staff engagement sessions, they provide all of our classroom and onsite clinical instruction for the Certified Nurse Assistant (CNA) Program, Certified Medication Aide (CMA) program and IV certification for our Licensed Practical Nurses.

As you can see, the services provided to us are numerous and assist us with meeting the staffing needs of our care center. Without their services, we would find it difficult to tailor programs for our staff and provide them ourselves, when needed.

Thank you for allowing me to offer this letter of support for TrainND NE. I may be reached at (701)665-1400 if you desire further information regarding our tremendous work relationship with TrainND.

Sincerely,



Karissa Olson  
Administratror



Doosan Bobcat  
250 East Beaton Dr.  
West Fargo, ND 58078

SB 2019-2079

1-4-2017

# 15

To Whom it May Concern:

I have been asked to write this letter on behalf of TrainND at the request of Joe Schreiner, TrainND Director – Division of Workforce Affairs.

Bobcat Company manufactures compact construction equipment and utility vehicles, and is one of North Dakota's largest equipment exporters. In order to maintain leadership in an increasingly competitive global marketplace, Bobcat has consistently invested in new manufacturing technologies. Almost all processes in the company's factories involve modern high-tech tools and devices including robotic automation, computer controlled machine tools, and advanced measuring tools. The efficient use of these technologies is critical to repeatedly producing quality components with multiple critical dimensions. Historically TrainND has played a critical role in successfully training Bobcat employees.

TrainND has been instrumental in getting our tenured workforce introduced to new technology and training them on these tools. This includes specific efforts with regards CNC machining, Weld Quality and blueprint reading. The results of these trainings have greatly impacted the quality of our products and have allowed us to continue to be competitive in the global marketplace.

In addition to technical types of training we have also leveraged TrainND in providing soft skills training to our frontline leaders. These trainings have enabled them to manage large teams of employees in a dynamic high stress working environment. Specific training areas have included communication, coaching and counseling skills, dealing with conflict and repairing relationships.

Working with TrainND to fulfill these needs has allowed for quick access to resources, at a reasonable cost and with staff and instructors who know our business, employees and culture. Going elsewhere for these services requires additional time to source the training and is generally at a greater expense.

Our relationship with TrainND and the utilization of the services they provide are extremely important and we look forward to a continued partnership.

Regards,

Ellie Nickel  
HR Manager

1



2100 15<sup>th</sup> Street N  
Wahpeton, ND 58075  
701-671-6060



December 22, 2016

*SB 2019/2079  
1-4-2017  
# 16*

Members of the 65<sup>th</sup> Legislative Session of North Dakota  
600 E Boulevard Avenue  
Bismarck, ND, 580505

Dear Members of the North Dakota Legislature:

I am writing this letter in support of the TrainND Southeast currently located at the campus of NDSCS, Wahpeton. ComDel Innovation has worked closely with TrainND to provide a variety of training sessions, both technical and professional, that support the mission of continued workforce development in North Dakota. Over the last biennium, ComDel Innovation has benefitted from courses in Geometric Dimensioning and Tolerancing, Advanced MS Excel Training and customized precision machining skill labs provided by TrainND staff.

TrainND is able to provide training that improves the quality of the workforce and enhances our business productivity and competitiveness. These educational programs are critical to helping provide employees with the skills necessary to match the quickly changing requirements of our diverse customers in medical devices, aerospace, commercial and agricultural applications. Having this service located in our community allows ComDel Innovation greater flexibility, while decreasing our travel costs and other associated fees for similar types of training provided elsewhere.

Your continued support for TrainND and other workforce development programming is greatly appreciated. Maintaining these options allow our business and employees, an opportunity to build the future skills that are needed in areas of advanced manufacturing and are strongly encouraged.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Tiana Bohn'.

Tiana Bohn  
Corporate Training Coordinator  
ComDel Innovation

A handwritten signature in cursive script, appearing to read 'Jim Albrecht'.

Jim Albrecht  
Chief Executive Officer  
ComDel Innovation





SB 2019/2079

1-4-2019

2875 Third Street SW  
Underwood, North Dakota 58576  
701-442-3211  
greatriverenergy.com

#17

**To:** Ray Holmberg, Chairman Senate Appropriations Committee

**From:** TrainND Southwest Advisory Board Member

**Date:** 12-29-16

**Re:** TrainND Letter of Support

Dear Mr. Ray Holmberg,

The purpose of this memorandum is to communicate the importance of TrainND, in support for continued state funding. TrainND is the North Dakota's most comprehensive training network which provides training for North Dakota business and industry, enhancing their ability to compete globally.

I have had the honor of serving the TrainND Southwest Board since early 2014. It has truly been a pleasure interacting with the knowledgeable and professional Bismarck State College staff. Some statistics, specific to the TrainND SW 2015-2016 fiscal year, are as follows:

- Served 246 businesses with a goal of 225
- 96% of the business/industry served were satisfied with the training received

Great River Energy, for whom I am currently employed, consistently utilizes TrainND's Mobile Welding Unit to certify their in-house maintenance welders. The state of the art mobile welding trailer is managed by competent TrainND administration. The welding training is conducted by subject matter expert instructors whom produce proven, quality results reflective in our employees' abilities.

Personally, I have taken four courses within the Professional Development Continuing Education Training program. The subject material is current and relevant with the instructors being competent and accomplished.

In conclusion Mr. Ray Holmberg, TrainND provides a value added benefit to our great state and bolsters our work force's knowledge, skills, and abilities. TrainND positions the ND workforce competitively in their respective markets and I encourage you to continue to support TrainND with the requested state funding.

Kind Regards,

TrainND Southwest Advisory Board Member,

Reese Boehm

A handwritten signature in blue ink that reads 'Reese Boehm'.

1

January 4, 2017

Senate Appropriations

SB 2079

SB 2019/2079  
1-4-2017  
#18

CHAIRMAN HOLMBERG AND MEMBERS OF THE COMMITTEE:

For the record my name is Blake Crosby and I am the Executive Director of the North Dakota League of Cities representing the 357 incorporated cities across the State.

I am testifying in favor of SB 2079 which funds workforce training at \$2.6 million. Workforce is the critical economic driver in my cities but the workforce must be trained to use today's tools and must have the ability to be re-trained if the need arises. As you have heard from previous speakers Workforce ND performs these functions very well. Plus, TrainND is nimble enough to react quickly to changing market forces and that is exactly what we need to maintain a competitive edge and to give workers a reason to stay in North Dakota.

Business expansion is on every business person's mind... "How can I grow my business?" When you have the opportunity to leverage your existing business model to increase output or move to a new service or product you want to know that you can find the employees, preferably in that city or geographical area. TrainND helps to answer that question.

On behalf of the North Dakota League of Cities I respectfully request a Do Pass on SB 2079.

THANK YOU FOR YOUR TIME AND CONSIDERATION. I will try to answer any questions.



December 29, 2016

SB 2019/2079

1-4-2017

# 19

The Honorable Ray Holmberg  
Chair, Senate Appropriations Committee  
621 High Plains Court  
Grand Forks, ND 58201-7717

Re: Support for Train ND

Dear Senator Holmberg,

Steffes LLC writes in support of continued funding for TrainND throughout North Dakota. Steffes LLC designs, manufactures and markets sustainable, high value-added, innovative manufactured solutions. We are headquartered in Dickinson, have two additional manufacturing plants in Grand Forks, and employ almost 300 people in the state.

TrainND provides organizational and employee training which would not otherwise occur and allows businesses to develop internal talent and organizational capabilities for hard to find & critical skills. They provide training solutions geared towards the organization's needs while bringing customized training to local communities.

The training that we have received from TrainND has been an important aspect in growing our business in Dickinson and Grand Forks as we meet the demands of changes in the manufacturing environment.

As the needs of manufacturing change in the upcoming years with turnover in the workforce and technology changes, funding and training support for employee and organizational training are critical to continue to developing and retaining talent necessary to grow businesses in North Dakota.

We urge this committee to continue funding TrainND across North Dakota.

Sincerely,

Uma B. Hoffmann

Human Resources Manager and member of the TrainND Southwest Advisory Board

January 2017

Senate Appropriations Committee  
State Capitol  
Bismarck

SB 2019-2079

1-4-2017

# 20

Re: Support for Train ND

Dear Senator Ray Holmberg, Chairman and Members of the Senate Appropriations Committee,

The GFMEDC appreciates the opportunity to speak regarding the State's continued support of TrainND.

In our Regional Workforce Study, completed in 2015, it stated our region will have to fill more than 30,000 job openings between 2015 and 2019. These jobs are broken into two categories; "New Jobs" and "Replacement Jobs". The majority of openings, 19,000, will be in the replacement Category, as across the State of ND and the US, we are facing a crisis from retirements. These are the region's most senior middle management and manufacturing talent which will put a strain on our companies' ability to expand.

How can we replace this incredible talent in a 2.1% unemployment environment? This doesn't take into consideration the almost 12,000 new hires which will be needed during 2015 to 2019. The lack of available workforce also hampers our ability to attract new businesses to our region and our State.

We are at a critical juncture and programs like TrainND are needed to maintain and grow our state's economy. Our region, currently has approximately 4,000 open positions, the bulk of which are in the job classifications which TrainND focuses on.

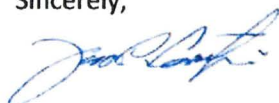
From September 2015 to September 2016 our region grew by 10,000+ people and an equal

/

amount of people in our workforce. That is over 27 new people per day, every day, 365 days, and we still have almost 4,000 available job openings.

Finally, another challenge that we face is something termed the "Skills Gap" . . . which is the mismatch between the skills available workers have and the skills employers need. TrainND provides an opportunity to close that skills gap by quickly responding to employers workforce needs. There are few resources that are as nimble and responsive as TrainND and losing this resource could mean loss of revenue and certainly a reduction in corporate tax revenues. This skills gap is an important reason that TrainND needs to be supported at the 2.6 million dollar level or higher for the 2017-2019 biennial.

Sincerely,



James P. Gartin, President  
Greater Fargo Moorhead Economic Development Corporation

SB2019 Subcommittee

1-24-19

**Career and Technical Education - Budget No. 270**  
**Senate Bill No. 2019**  
**Base Level Funding Changes**

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version				Senate Changes to Executive Budget Increase (Decrease) - Executive Budget			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
<b>2017-19 Biennium Base Level</b>	26.50	\$31,698,298	\$9,697,887	\$41,396,185	26.50	\$31,698,298	\$9,697,887	\$41,396,185	0.00	\$0	\$0	\$0
<b>2017-19 Ongoing Funding Changes</b>												
Base payroll changes		(\$54,785)	(\$81,221)	(\$136,006)				\$0		\$54,785	\$81,221	\$136,006
<b>Salary increase - Performance</b>				<b>0</b>				0				0
Health insurance increase		68,691		68,691				0		(68,691)		(68,691)
<b>Employee portion of health insurance</b>		<b>(35,984)</b>		<b>(35,984)</b>				0		35,984		35,984
Reduce 1 FTE position	(1.00)			0				0	1.00			0
Adjust salaries and wages		168,618		168,618				0		(168,618)		(168,618)
Adjusts operating expenses		(26,751)		(26,751)				0		26,751		26,751
Adjusts postsecondary grants		(74,406)		(74,406)				0		74,406		74,406
Adjusts adult farm management grants		(80,616)		(80,616)				0		80,616		80,616
Adjusts workforce training grants		(203,500)		(203,500)				0		203,500		203,500
<b>Adjusts other state-funded grants</b>		<b>(1,174,434)</b>		<b>(1,174,434)</b>				0		1,174,434		1,174,434
<b>Adds back funding for grants for state aid</b>		<b>1,400,000</b>		<b>1,400,000</b>				0		(1,400,000)		(1,400,000)
Total ongoing funding changes	(1.00)	(\$13,167)	(\$81,221)	(\$94,388)	0.00	\$0	\$0	\$0	1.00	\$13,167	\$81,221	\$94,388
<b>One-time funding items</b>												
No one-time funding items				\$0				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
<b>Total Changes to Base Level Funding</b>	(1.00)	(\$13,167)	(\$81,221)	(\$94,388)	0.00	\$0	\$0	\$0	1.00	\$13,167	\$81,221	\$94,388
<b>2017-19 Total Funding</b>	25.50	\$31,685,131	\$9,616,666	\$41,301,797	26.50	\$31,698,298	\$9,697,887	\$41,396,185	1.00	\$13,167	\$81,221	\$94,388
										0.0%	0.8%	0.2%

**Other Sections in Career and Technical Education - Budget No. 270**

**Burgum Executive Budget Recommendation**  
**(Changes to Dalrymple Budget in Bold)**

**Senate Version**

No other sections for this agency.

## CARL D. PERKINS FEDERAL GRANTS

This memorandum provides information on Carl D. Perkins federal grants, the required maintenance of effort from state and local governments, and the North Dakota Department of Career and Technical Education.

### CARL D. PERKINS VOCATIONAL EDUCATION ACT

In 1963 the United States Congress passed the Vocational Education Act (VEA) to strengthen and expand the economic base of the nation, develop human resources, reduce structural unemployment, increase productivity, and strengthen the nation's defense capabilities by assisting the states to expand, improve, and update high-quality programs of vocational-technical education. In 1984 Congress authorized the Carl D. Perkins Vocational Education Act and amended the VEA. The Carl D. Perkins Vocational Education Act was enacted to extend and revise VEA programs, emphasizing the acquisition of job skills through technical and vocational education. The Carl D. Perkins Vocational and Technical Education Act was amended by Congress in 1990 to provide improved vocational education programs for handicapped and disadvantaged individuals and again in 1998 to allow states agencies greater flexibility to develop career and technical education (CTE) programs while requiring greater accountability for student performance. The Act was amended by Congress in 2006 to provide an increased focus on the academic achievement of CTE students, strengthen the connections between secondary and postsecondary education, and improve state and local accountability.

### MAINTENANCE OF EFFORT REQUIREMENT

In order for a state to receive funding from the Carl D. Perkins federal grant program, federal statute requires a state to maintain its fiscal effort from state sources compared to the previous year for CTE expenditures, excluding the 1<sup>st</sup> year the state receives Carl D. Perkins funds. This maintenance of effort requirement can be met in three ways:

1. On an aggregate basis;
2. On a per-student basis; or
3. Waiver by the United States Department of Education.

#### Aggregate Basis

A state agency may satisfy the federal maintenance of effort requirement on an aggregate basis, meaning the agency must spend at least the same amount of CTE-related expenditures from state sources in the current state fiscal year compared to the previous state fiscal year. For example, if a state agency spent \$100 million on CTE-related expenditures from state sources during a state fiscal year and spent \$101 million in the next state fiscal year, the maintenance of effort requirement would be met in the aggregate, as the agency spent an equal or greater amount of state funding compared to the previous state fiscal year.

#### Per-Student Basis

A state agency may also satisfy the federal maintenance of effort requirement on a per-student basis. Under this option, an agency that spends less on CTE-related expenditures from state sources in a given state fiscal year compared to the previous state fiscal year, could still meet the requirement if the amount of state funds spent on each CTE student increases. For example, if a state agency spent \$100 million on CTE-related expenditures from state sources during a state fiscal year and spent \$99 million in the next state fiscal year, the agency does not meet the maintenance of effort requirement in the aggregate. However, if in the 1<sup>st</sup> state fiscal year the agency provided CTE services to 100,000 students, the amount of state funding spent on each student would be \$1,000. If the agency provided CTE services to 98,000 students in the 2<sup>nd</sup> state fiscal year, the state funding spent on each student would be \$1,010. Therefore, because the amount of state funding spent on each student increased from the 1<sup>st</sup> state fiscal year, the maintenance of effort requirement would be met.

#### United States Department of Education Waiver

The last way the Carl D. Perkins federal grant maintenance of effort requirement can be met is by applying for a waiver to the United States Department of Education. The state agency may receive a 1-year waiver if the United States Department of Education determines a waiver would be equitable due to exceptional or uncontrollable circumstances affecting the agency's ability to maintain its state fiscal effort and the agency has decreased its expenditures for CTE from nonfederal sources by no more than 5 percent. Examples of exceptional or uncontrollable circumstances include a natural disaster or an unforeseen and precipitous decline in financial resources. The Department of Education has not provided clarification on how many 1-year waivers may be granted or if waivers are allowed in consecutive years. If a waiver is submitted due to reduced CTE state funds and the waiver is not accepted, the state's share of all or a portion of Carl D. Perkins federal funding may be reduced. In the event only a portion of the state's Carl D. Perkins federal grants are reduced, the state may have an opportunity to receive up to 75 percent of that amount in subsequent years, if the state provides additional state CTE funding in those years.



**MAINTENANCE OF EFFORT CALCULATION**

The Department of Education allows a state agency flexibility in its maintenance of effort calculation, but requires the agency to be consistent in the calculation from year to year. An agency must include state funds spent on CTE expenditures, but may exclude state funds spent by subrecipients if the subrecipient, not the agency, has control over the amount of state funds spent on CTE. However, if the agency imposes a requirement that subrecipients use the funds received from state sources for CTE, the agency must include those funds in its maintenance of effort calculation. An agency may also exclude certain one-time funding as well as general education funding not specifically required to be spent for CTE if the funding is considered local expenditures. If a reduction in state-provided funds occurs, the maintenance of effort requirement may still be met if funds from subrecipients increase, resulting in total state and local funds to match or exceed the previous year's nonfederal CTE funding.

**NORTH DAKOTA DEPARTMENT OF CAREER AND TECHNICAL EDUCATION**

**Budget Summary**

The North Dakota Department of Career and Technical Education has received Carl D. Perkins federal funds since the creation of the Carl D. Perkins Vocational and Technical Education Act in 1984. The following is a summary of state and federal funds for the Department of Career and Technical Education for the 2013-15 and 2015-17 bienniums:

	2013-15 Biennium	2015-17 Biennium Adjusted
General fund <sup>1</sup>	\$32,392,916	\$31,698,298 <sup>2</sup>
Special funds	454,974	154,974
Carl. D Perkins federal grants received	8,429,842	8,429,842
Other federal funds	1,402,979	1,113,071
<b>Total</b>	<b>\$42,680,711</b>	<b>\$41,396,185</b>

<sup>1</sup>The general fund appropriation amounts include one-time funding of \$1 million in the 2013-15 biennium and \$106,750 in the 2015-17 biennium.

<sup>2</sup>The 2015-17 biennium general fund appropriation amount reflects general fund budget reductions of \$2,221,764 made in August 2016.

**Maintenance of Effort Process**

The Department of Career and Technical Education has historically met the maintenance of effort requirement for the Carl D. Perkins grant program on an aggregate basis. The department calculates the maintenance of effort requirement at secondary and postsecondary levels.

Secondary education CTE expenditures are calculated as a portion of state CTE general fund appropriations plus the total CTE program expenditures at the local level, as local North Dakota schools report total CTE expenditures to the department annually. Certain general fund items, including one-time funding, pilot distance delivery, and the science, technology, engineering, and mathematics network are not included in the maintenance of effort calculation.

Postsecondary education CTE expenditures are also calculated as a portion of state CTE general fund appropriations plus the total CTE program expenditures from local 2-year North Dakota colleges who report CTE expenditures to the department in October of each year.

**Maintenance of Effort - Aggregate Basis**

The Department of Career and Technical Education met the maintenance of effort requirement for the Carl D. Perkins federal grant program on an aggregate basis in state fiscal year 2016, as the total CTE expenditures from state and local levels increased from \$62.9 million in state fiscal year 2015 to \$66.5 million in state fiscal year 2016. The following table provides detail for the maintenance of effort calculation for state fiscal years 2015 and 2016:

	State Fiscal Year 2015			State Fiscal Year 2016		
	General Fund <sup>1</sup>	Local Funds	Total Funds	General Fund <sup>1</sup>	Local Funds	Total Funds
Secondary	\$9,756,143	\$27,224,322	\$36,980,465	\$11,979,815	\$28,707,595	\$40,687,410
Postsecondary	2,457,964	21,253,922	23,711,886	2,530,363	21,113,303	23,643,666
Youth Correctional Center		108,184	108,184		73,335	73,335
State administration and leadership activities	2,050,898		2,050,898	2,097,998		2,097,998
<b>Total CTE expenditures</b>	<b>\$14,265,005</b>	<b>\$48,586,428</b>	<b>\$62,851,433</b>	<b>\$16,608,176</b>	<b>\$49,894,233</b>	<b>\$66,502,409</b>

<sup>1</sup>General fund CTE expenditures include costs from salaries and wages, operating expenses, and grants.

**Maintenance of Effort - Per-Student Basis**

The following table provides the number of students the Department of Career and Technical Education provided CTE services to for state fiscal years 2014, 2015, and 2016:

#2  
p3

	State Fiscal Year 2014	State Fiscal Year 2015	State Fiscal Year 2016
Secondary CTE enrollment	20,018	20,291	20,828
Postsecondary CTE enrollment	9,319	9,478	10,884
Total CTE enrollment	29,337	29,769	31,712

The Department of Career and Technical Education met the maintenance of effort requirement for the Carl D. Perkins federal grant program on a per-student basis in state fiscal year 2015, but did not meet the requirement on a per-student basis in state fiscal year 2016. While total CTE expenditure have continued to increase in recent years, total CTE enrollment has also increased, causing the amount of CTE expenditures spent on each student to fluctuate. The per-student basis calculation is often beneficial for states' CTE agencies with decreasing enrollment, as these states may not be able to meet the maintenance of effort requirement on an aggregate basis, but may still meet the requirement on a per-student basis. The following table provides the per-student calculation for the Department of Career and Technical Education for state fiscal years 2014, 2015, and 2016:

	State Fiscal Year 2014	State Fiscal Year 2015	State Fiscal Year 2016
Total CTE expenditures	\$61,502,612	\$62,851,433	\$66,502,409
Total CTE enrollment	29,337	29,769	31,712
CTE expenditures per-student	\$2,096	\$2,111	\$2,097

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 1-31-2017  
 #1

**Career and Technical Education - Budget No. 270**  
**Senate Bill No. 2019**  
**Base Level Funding Changes**

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version				Senate Changes to Executive Budget Increase (Decrease) - Executive Budget			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
<b>2017-19 Biennium Base Level</b>	26.50	\$31,698,298	\$9,697,887	\$41,396,185	26.50	\$31,698,298	\$9,697,887	\$41,396,185	0.00	\$0	\$0	\$0
<b>2017-19 Ongoing Funding Changes</b>												
Base payroll changes		(\$54,785)	(\$81,221)	(\$136,006)		(\$54,785)	(\$81,221)	(\$136,006)				\$0
<b>Salary increase - Performance</b>				<b>0</b>				<b>0</b>				<b>0</b>
Health insurance increase		68,691		68,691		68,691		68,691				0
<b>Employee portion of health insurance</b>		<b>(35,984)</b>		<b>(35,984)</b>				<b>0</b>		35,984		35,984
Reduce 1 FTE position	(1.00)			0	(1.00)			0				0
Adjust salaries and wages		168,618		168,618		168,618		168,618				0
Adjusts operating expenses		(26,751)		(26,751)		(26,751)		(26,751)				0
Adjusts postsecondary grants		(74,406)		(74,406)		(74,406)		(74,406)				0
Adjusts adult farm management grants		(80,616)		(80,616)		(80,616)		(80,616)				0
Adjusts workforce training grants		(203,500)		(203,500)		(203,500)		(203,500)				0
Adjusts other state-funded grants		(1,174,434)		(1,174,434)		(1,174,434)		(1,174,434)				0
<b>Adds back funding for grants for state aid</b>		<b>1,400,000</b>		<b>1,400,000</b>				<b>0</b>		(1,400,000)		(1,400,000)
Total ongoing funding changes	(1.00)	(\$13,167)	(\$81,221)	(\$94,388)	(1.00)	(\$1,377,183)	(\$81,221)	(\$1,458,404)	0.00	(\$1,364,016)	\$0	(\$1,364,016)
<b>One-time funding items</b>												
No one-time funding items				\$0				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
<b>Total Changes to Base Level Funding</b>	(1.00)	(\$13,167)	(\$81,221)	(\$94,388)	(1.00)	(\$1,377,183)	(\$81,221)	(\$1,458,404)	0.00	(\$1,364,016)	\$0	(\$1,364,016)
<b>2017-19 Total Funding</b>	25.50	\$31,685,131	\$9,616,666	\$41,301,797	25.50	\$30,321,115	\$9,616,666	\$39,937,781	0.00	(\$1,364,016) (4.3%)	\$0 0.0%	(\$1,364,016) (3.3%)

**Other Sections in Career and Technical Education - Budget No. 270**

Burgum Executive Budget Recommendation  
(Changes to Dalrymple Budget in Bold)

Senate Version

No other sections for this agency.

1

**Career and Technical Education - Budget No. 270**  
**Senate Bill No. 2019**  
**Base Level Funding Changes**

SB 2019  
 2-2-17  
 #1

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version				Senate Changes to Executive Budget Increase (Decrease) - Executive Budget			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
<b>2017-19 Biennium Base Level</b>	26.50	\$31,698,298	\$9,697,887	\$41,396,185	26.50	\$31,698,298	\$9,697,887	\$41,396,185	0.00	\$0	\$0	\$0
<b>2017-19 Ongoing Funding Changes</b>												
Base payroll changes		(\$54,785)	(\$81,221)	(\$136,006)		(\$54,785)	(\$81,221)	(\$136,006)				\$0
<b>Salary increase - Performance</b>				<b>0</b>				<b>0</b>				<b>0</b>
Health insurance increase		68,691		68,691		68,691		68,691				0
<b>Employee portion of health insurance</b>		<b>(35,984)</b>		<b>(35,984)</b>				<b>0</b>		35,984		35,984
Reduce 1 FTE position	(1.00)			0	(1.00)			0				0
Adjust salaries and wages		168,618		168,618		168,618		168,618				0
Adjusts operating expenses		(26,751)		(26,751)		(26,751)		(26,751)				0
Adjusts postsecondary grants		(74,406)		(74,406)		(74,406)		(74,406)				0
Adjusts adult farm management grants		(80,616)		(80,616)		(80,616)		(80,616)				0
Adjusts workforce training grants		(203,500)		(203,500)		(203,500)		(203,500)				0
Adjusts other state-funded grants		(1,174,434)		(1,174,434)		(1,174,434)		(1,174,434)				0
<b>Adds back funding for grants for state aid</b>		<b>1,400,000</b>		<b>1,400,000</b>				<b>0</b>		(1,400,000)		(1,400,000)
Total ongoing funding changes	(1.00)	(\$13,167)	(\$81,221)	(\$94,388)	(1.00)	(\$1,377,183)	(\$81,221)	(\$1,458,404)	0.00	(\$1,364,016)	\$0	(\$1,364,016)
<b>One-time funding items</b>												
Adds funding for school district and area center grants				\$0			\$2,477,000	\$2,477,000			\$2,477,000	\$2,477,000
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$2,477,000	\$2,477,000	0.00	\$0	\$2,477,000	\$2,477,000
<b>Total Changes to Base Level Funding</b>	(1.00)	(\$13,167)	(\$81,221)	(\$94,388)	(1.00)	(\$1,377,183)	\$2,395,779	\$1,018,596	0.00	(\$1,364,016)	\$2,477,000	\$1,112,984
<b>2017-19 Total Funding</b>	25.50	\$31,685,131	\$9,616,666	\$41,301,797	25.50	\$30,321,115	\$12,093,666	\$42,414,781	0.00	(\$1,364,016)	\$2,477,000	\$1,112,984
										(4.3%)	25.8%	2.7%

**Other Sections in Career and Technical Education - Budget No. 270**

Burgum Executive Budget Recommendation  
(Changes to Dalrymple Budget in Bold)

School districts and area centers grants

Senate Version

Section 3 provides a one-time appropriation of \$2,477,000 from the foundation aid stabilization fund to the Department of Career and Technical Education for the purpose of providing grants to school districts and area centers, for the biennium beginning July 1, 2017, and ending June 30, 2019.

Department 270 - Career and Technical Education  
Senate Bill No. 2019

**Dalrymple Executive Budget Comparison to Prior Biennium Appropriations**

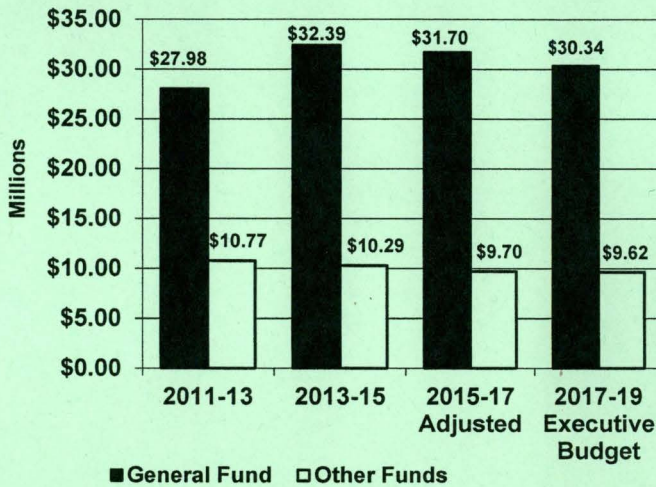
	FTE Positions	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget	25.50	\$30,341,516	\$9,616,666	\$39,958,182
2015-17 Adjusted Legislative Appropriations <sup>1</sup>	26.50	31,698,298	9,697,887	41,396,185
Increase (Decrease)	(1.00)	(\$1,356,782)	(\$81,221)	(\$1,438,003)

<sup>1</sup>The 2015-17 biennium agency appropriation amounts reflect general fund budget reductions made in August 2016.

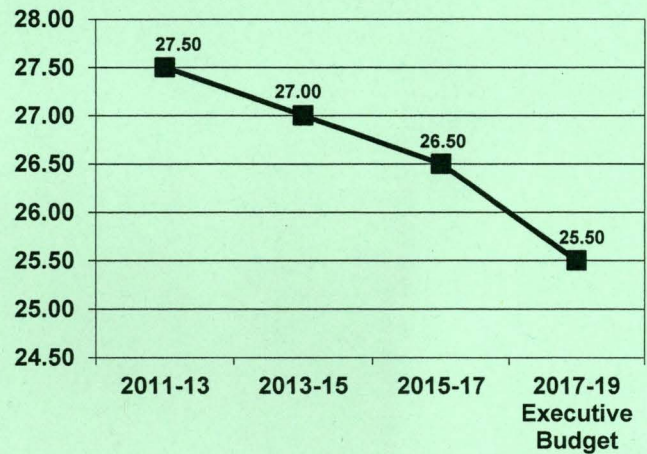
**Ongoing and One-Time General Fund Appropriations**

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2017-19 Dalrymple Executive Budget	\$30,341,516	\$0	\$30,341,516
2015-17 Adjusted Legislative Appropriations	31,698,298	0	31,698,298
Increase (Decrease)	(\$1,356,782)	\$0	(\$1,356,782)

Agency Funding



FTE Positions



**Dalrymple Executive Budget Comparison to Base Level**

	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget	\$30,341,516	\$9,616,666	\$39,958,182
2017-19 Base Level	31,698,298	9,697,887	41,396,185
Increase (Decrease)	(\$1,356,782)	(\$81,221)	(\$1,438,003)

**First House Action**

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

**Dalrymple and Burgum Executive Budget Highlights  
(With First House Changes in Bold)**

	General Fund	Other Funds	Total
1. Adds funding for state employee salary and benefit increases, of which \$20,401 is for salary increases and \$68,691 is for health insurance increases. (The Burgum budget removed funding for salary increases and provided for employees to pay for a portion of health insurance.) <b>The Senate removed funding for the salary increases.</b>	\$89,092	\$0	\$89,092
2. Removes 1 FTE assistant supervisor position. (Funding for the position was removed during the August 2016 budget reduction.)	\$0	\$0	\$0
3. Reduces funding for grants, including reductions to postsecondary grants (\$74,406), adult farm management grants (\$80,616), workforce training grants (\$203,500), and state-funded grants (\$1,174,434)	(\$1,532,956)	\$0	(\$1,532,956)

4. (The Burgum budget added funding for grants for state aid from the general fund.) **The Senate provided \$2,477,000 of one-time funding from the foundation aid stabilization fund for grants for state aid.** \$1,400,000 \$1,400,000

**Other Sections in Senate Bill No 2019**

**School district and area center grants** - Section 3 identifies that the appropriation in section 1 includes \$2,477,000 from the foundation aid stabilization fund for grants to school districts and area centers for the 2017-19 biennium.

**Continuing Appropriations**

There are no continuing appropriations for this agency.

**Deficiency Appropriation**

There are no deficiency appropriations for this agency.

**Significant Audit Findings**

There are no significant audit findings for this agency.

**Major Related Legislation**

At this time, no major related legislation has been introduced affecting this agency.

**Career and Technical Education - Budget No. 270**  
**Senate Bill No. 2019**  
**Base Level Funding Changes**

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total
<b>2017-19 Biennium Base Level</b>	26.50	\$31,698,298	\$9,697,887	\$41,396,185	26.50	\$31,698,298	\$9,697,887	\$41,396,185
<b>2017-19 Ongoing Funding Changes</b>								
Base payroll changes		(\$54,785)	(\$81,221)	(\$136,006)		(\$54,785)	(\$81,221)	(\$136,006)
<b>Salary increase - Performance</b>				<b>0</b>				<b>0</b>
Health insurance increase		68,691		68,691		68,691		68,691
<b>Employee portion of health insurance</b>		<b>(35,984)</b>		<b>(35,984)</b>				<b>0</b>
Reduce 1 FTE position	(1.00)			0	(1.00)			0
Adjust salaries and wages		168,618		168,618		168,618		168,618
Adjusts operating expenses		(26,751)		(26,751)		(26,751)		(26,751)
Adjusts postsecondary grants		(74,406)		(74,406)		(74,406)		(74,406)
Adjusts adult farm management grants		(80,616)		(80,616)		(80,616)		(80,616)
Adjusts workforce training grants		(203,500)		(203,500)		(203,500)		(203,500)
Adjusts other state-funded grants		(1,174,434)		(1,174,434)		(1,174,434)		(1,174,434)
<b>Adds funding for grants for state aid</b>		<b>1,400,000</b>		<b>1,400,000</b>				<b>0</b>
Total ongoing funding changes	(1.00)	(\$13,167)	(\$81,221)	(\$94,388)	(1.00)	(\$1,377,183)	(\$81,221)	(\$1,458,404)
<b>One-time funding items</b>								
Adds funding for school district and area center grants				\$0			\$2,477,000	\$2,477,000
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$2,477,000	\$2,477,000
<b>Total Changes to Base Level Funding</b>	(1.00)	(\$13,167)	(\$81,221)	(\$94,388)	(1.00)	(\$1,377,183)	\$2,395,779	\$1,018,596
<b>2017-19 Total Funding</b>	25.50	\$31,685,131	\$9,616,666	\$41,301,797	25.50	\$30,321,115	\$12,093,666	\$42,414,781

**Other Sections in Career and Technical Education - Budget No. 270**

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version			
School districts and area centers grants								

Section 3 identifies that the appropriation includes \$2,477,000 from the foundation aid stabilization fund to the Department of Career and Technical Education for the purpose of providing grants to school districts and area centers, for the biennium beginning July 1, 2017, and ending June 30, 2019.

## Department 270 - Career and Technical Education

## Appropriations Comparisons to the Original and Adjusted Base Budgets

### General Fund Appropriations Adjustments (As a result of the August 2016 General Fund Budget Reductions)

	Ongoing	One-Time	Total
2015-17 original general fund appropriations	\$33,813,312	\$106,750	\$33,920,062
General fund reductions	(2,115,014)	(106,750)	(2,221,764)
Adjusted 2015-17 appropriations	\$31,698,298	\$0	\$31,698,298
Dalrymple Executive Budget changes	(1,356,782)	0	(1,356,782)
2017-19 Dalrymple Executive Budget	\$30,341,516	\$0	\$30,341,516

### Summary of August 2016 General Fund Budget Reductions

	Ongoing	One-Time	Total
Savings from vacant assistant supervisor position	(\$171,382)		(\$171,382)
Reduced other salaries and wages funding	(\$168,618)		(\$168,618)
Reduced operating expenses for science, technology, engineering, & mathematics (STEM) advancement initiative	(6,550)		(6,550)
Reduced operating expenses for desktop support services	(103,840)	(\$106,750)	(210,590)
Reduced other operating expenses	(79,449)		(79,449)
Reduced grants, including state-funded grants	(1,302,972)		(1,302,972)
Reduced adult farm management grants	(39,364)		(39,364)
Reduced program enhancement grants	(46,339)		(46,339)
Reduced workforce training grants	(196,500)		(196,500)
Total reductions	(\$2,115,014)	(\$106,750)	(\$2,221,764)
Percentage reduction to ongoing and one-time general fund appropriations	6.25%	100.00%	6.55%

### 2017-19 Dalrymple Executive Budget Changes to the Original and Adjusted Base Budgets

	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
Adds funding for recommended salary and benefit increases	\$89,092	\$0	\$89,092
Reduction of 1 FTE assistant supervisor position	(171,382)	171,382	0
Adjusts other salaries and wages	(54,785)	168,618	113,833
Reduces operating expenses for STEM advancement initiative	0	6,550	6,550
Adjusts operating expenses for desktop support services	0	103,840	103,840
Adjusts other operating expenses	(216,590)	79,449	(137,141)
Adjusts grants, including state-funded grants	(2,477,406)	1,302,972	(1,174,434)
Reduces adult farm management grants	(119,980)	39,364	(80,616)
Reduces program enhancement grants	(120,745)	46,339	(74,406)
Reduces workforce training grants	(400,000)	196,500	(203,500)
Total	(\$3,471,796)	\$2,115,014	(\$1,356,782)

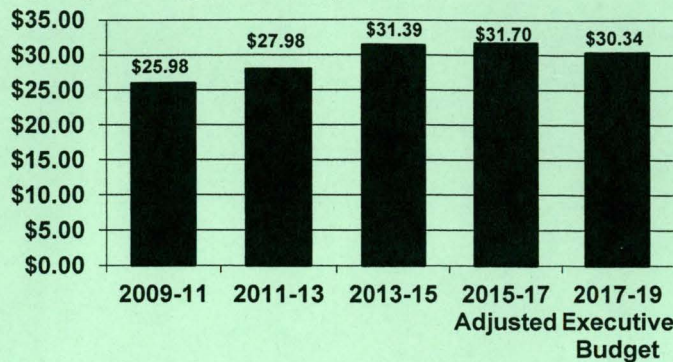


Department 270 - Career and Technical Education

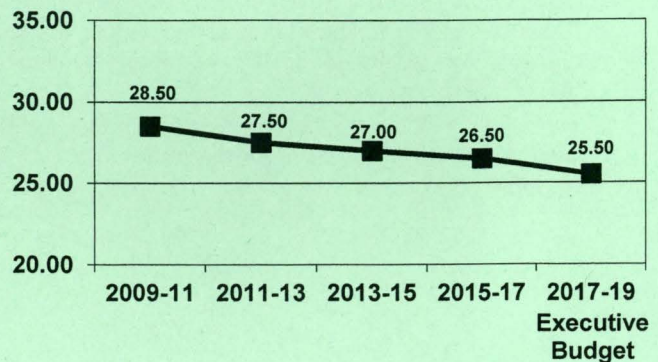
# Historical Appropriations Information

## Ongoing General Fund Appropriations Since 2009-11

Agency Funding (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Dalrymple Executive Budget
Ongoing general fund appropriations	\$25,981,008	\$27,981,679	\$31,392,916	\$31,698,298	\$30,341,516
Increase (decrease) from previous biennium	N/A	\$2,000,671	\$3,411,237	\$305,382	(\$1,356,782)
Percentage increase (decrease) from previous biennium	N/A	7.7%	12.2%	1.0%	(4.3%)
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	7.7%	20.8%	22.0%	16.8%

### Major Increases (Decreases) in Ongoing General Fund Appropriations

#### 2011-13 Biennium

1. Removed 1 FTE programmer analyst II position and related funding (\$107,124)
2. Provided funding to maintain the reimbursement percentage paid to support career and technical education (CTE) programs \$400,000
3. Provided funding for expansion of CTE course offerings \$400,000
4. Provided funding for a new virtual CTE center \$1,000,000
5. Provided funding for increases for an information technology contract for the development of an online annual plan and reimbursement claim process for fiscal affairs \$118,623
6. Decreased funding for professional services for career advisor training and certification (\$92,256)

#### 2013-15 Biennium

1. Provided funding to continue current reimbursement rates \$500,000
2. Provided funding for new and expanded programs, to expand online and interactive video delivery of programs, to develop a pilot program to interactively deliver a CTE program, and to develop a 14-school emerging technology consortium to reduce costs \$1,205,000
3. Provided funding for STEM programs \$150,000
4. Provided funding for the STEM network \$300,000

#### 2015-17 Biennium

1. Added funding to continue Cass County Area Technology Center \$500,000
2. Added funding to increase reimbursement rates and for secondary and postsecondary CTE programs \$700,000
3. Added funding for new and expanding programs to increase course offerings \$700,000
4. Reduced funding for grants, including STEM program grants (\$160,000), STEM network (\$140,000), and other grant adjustments (\$10,436) (\$310,436)

- |   |           |
|---|-----------|
| 5. Added funding for a STEM advancement initiative (this item was affected by the 2015-17 budget reductions)                                      | \$100,000 |
| 6. Added funding for desktop support service from the Information Technology Department (this item was affected by the 2015-17 budget reductions) | \$103,840 |

**2017-19 Biennium (Dalrymple and Burgum Executive Budget Recommendations)**

- |  |               |
|--|---------------|
| 1. Reduces 1 FTE assistant supervisor position   | \$0           |
| 2. Reduces funding for grants, including reductions to postsecondary grants (\$74,406), adult farm management grants (\$80,616), workforce training grants (\$203,500), and state-funded grants (\$1,174,434)      | (\$1,532,956) |
| 3. The Burgum budget added funding for grants for state aid from the general fund. <b>The Senate provided \$2,477,000 of one-time funding from the foundation aid stabilization fund for grants for state aid.</b> | \$1,400,000   |

**House Appropriations  
Testimony on SB2019**

**Department of Career and Technical Education  
March 3, 2017**

Mr. Chairman and members of the committee, my name is Wayne Kutzer,  
Director of the Department of Career and Technical Education.

The demand for a skilled workforce continues. Our best option to introduce and deliver the skills and training needed, is through Career and Technical Education, at both the secondary and postsecondary levels. We need to continue to provide access to CTE to help meet the educational and workforce infrastructure needs of our state and we need to work closely with business and industry to match up our education and training with the current skills needed. We understand that there are budget concerns which need to be addressed and as SB2019 comes from the Senate it addresses some of those concerns for CTE. It provides a base so that as a state, we don't go backwards in providing the support to local schools, the students they serve, and ultimately employers – the business and industry who are still looking for individuals with a wide range of skills in this state.

We have been hearing for some time that, thanks to the Foundation Aid Stabilization Fund, K-12 funding has been and will be kept whole. The fund has done just what it was supposed to do, fill any deficiencies in the per pupil funding to schools. Although CTE is part of K-12, we were not eligible to receive funding from the Foundation Aid Stabilization Fund and therefore were not held harmless, we have had to cut \$1.3 million in funding to schools this current biennium. With the passage of Measure 2, SB2272 was introduced which included a definition for the allowable uses of the fund

which includes CTE, allowing K-12 CTE to be held harmless. As our bill stands now, out of the Senate, we will be able to level fund secondary CTE.

So let me set the stage. To build CTE's case, let's take a look at the state's workforce and the most recent Job Service North Dakota data. What is the makeup of jobs in this state by level of education? Where is the projected demand through 2024?

The first graph, Percentage of Jobs by Typical Education Level, represents all jobs in North Dakota and how they break down by education level. It shows that 53% - 272,000 of the jobs in our state are in the skills associated with a high school diploma and/or an associate's degree, that is where the jobs are, that's the second and third bar. Skills associated with bachelor and higher degrees encompass a little less than 19% - 96,000 of the jobs in the state.

While these numbers are North Dakota numbers, this distribution is typical of the labor force across the country. If you look at the top bar, "Less than High School", it represents 26.4% - 135,000 of the jobs in the state.

CTE's target occupations are the skill levels that make up the 53% - between a High School Diploma and Associate's degree. We also impact the skill levels associated with occupations that required less than high school diploma. We may very well be the last formal education and skill training that they receive. That makes it 79% of the jobs in our state require a skill level that is less than a bachelor's degree.

The next graph shows the "Projected Total Openings by Education/Training", the yellow is the growth openings - how many jobs is industry going to create. The blue in each line is the replacement openings. The demands of the labor force follow the makeup of the workforce very closely.

We definitely want to build and empower students with the ability to learn, they will need to do that throughout their career, but we also want students who have the opportunity learn and are able to earn so they can become part of our economy in the state. The cost of higher education, the staggering student loan debt and the availability of jobs must all play into what we tell our young people as they make educational and career decisions. Simply, there are good jobs, well-paying jobs, available and attainable, that CTE prepares students for. The careers are out there.

Traditionally this is where we find small business owners; people who have taken their craft and created a business, hired employees, and provide services to their community. These small businesses are the majority of businesses in this country and they begin with the foundation of technical skills they have learned. We should not discourage students from seeking further education but we also need to provide them the resources - the career planning tools and the access to education and training that they need to be successful in the parts of our economy where there are available jobs. CTE is that resource and students across the state should have continued access to CTE. Reduced funding will have a dampening effect on CTE programming as schools deal with their budget issues also.

Let me talk about CTE and how we operate. In your materials is a listing of our nine-member Board, six appointed by the Governor from six regions across the state and three legislated members. The CTE Board operates much like a school board in that it sets our policies for our agency; on funding to schools, programming that we support, teacher certification, and our funding priorities. There is also a listing of the Area Career and Technology Centers in your materials. It lists the 97 member schools of Area

Centers across the state and the CTE programming they each offer. Area Centers have become an increasingly valuable delivery tool for CTE programming. Much of the increase in accessibility to CTE is due to their efforts.

We have 20,828 high school students enrolled in CTE courses. That's up from 20,019 when I stood before you last session, in grades 9–12 and 6,538 of those are classified as Concentrators – those students that have taken two or more credits in a single program pathway. This is 69% of all students enrolled in high school and 39% of these CTE students take multiple courses in any given year. This is where the bulk of our grant funding to schools is targeted. We also support middle school programs with technical assistance. They do not receive funding, but there are 16,000 students in grades 6-8 taking courses in Agriculture, Family and Consumer Sciences, and Technology & Engineering. Postsecondary has 10,884 students enrolled in CTE programs at the campuses compared to 9,319 two years ago with 5,430 of those being Concentrators.

The Department of Career and Technical Education provides technical assistance and financial support to CTE programs and teachers across the state. We require industry standards where they are available, assist programs in selecting curriculum that matches those industry standards and we evaluate programs every five years. In addition to the technical assistance to middle schools, we also provide it to some elementary programming in STEM and entrepreneurship, as well as all of the public and tribal two-year campuses. We also evaluate the campuses' CTE programs on a five-year cycle and certify their CTE instructors. Our responsibility to the two-year campuses is through the federal "Carl Perkins" funding we administer.

Every CTE program must provide a student leadership component, a Career and Technical Student Organization (CTSO), FFA, SkillsUSA, DECA, FBLA, FCCLA, TSA. Our staff provide the statewide leadership and coordination. While they all may not get as much recognition as they should, CTOS are a great leadership and motivating factor for students.

At the high school level, we provide technical assistance and funding support for programs in Agriculture, Business, Career Development, Career Resource Network, Family and Consumer Sciences, Information Technology, Marketing, Tech and Engineering, Special Populations/Educational Equity and Trade & Industry and Health Sciences, (T&I).

T&I include programs from Auto to Welding, Aviation to Electronics, and Graphic Arts to Culinary Arts and our fastest growing program Health Sciences. The list is on the back side of the Board Member handout.

If we align our spending to what we do, it looks like this:

<b>Total Biennium Budget</b>	<b>\$ 41.1 million</b>	
Secondary – Grades 9-12	22.0 million	66.9%
Federal	5.5 million	
Elementary / Middle School	.3 million	.7%
2 Year Campuses	3.4 million	15.6%
Federal	3.0 million	
Adult Farm Management	1.8 million	4.4%
Agency Salary and Operating	4.3 million	12.4%
Federal	.8 million	

On a percentage basis the funding looks like this: Secondary – 66.9%, Elementary/Middle School - .7%, Two -Year Campuses – 15.6%, Adult Farm Management – 4.4%, Agency Salary and Operating – 12.4%. The Agency Salary and Operating line is how we provide the technical assistance and program development – teacher training and alternative certification programs for those coming out of industry.

**Now the information that you requested of us:**

Financial Audit

Our most recent Audit which was completed this past September was a clean audit and CTE had no findings.

Major ongoing funding increases in the 2013 and 2015 biennium

**2013-15 Biennium**

- |  |             |
|--|-------------|
| 1. Cost to continue current reimbursement rates  | \$500,000   |
| 2. Provided funding for <b>new</b> and <b>expanding</b> programs, to <b>expand</b> online and interactive video delivery of programs, to <b>develop</b> a pilot program to interactively deliver a CTE program, and to <b>develop</b> a 14-school emerging technology consortium to reduce costs | \$1,205,000 |
| 3. Provided funding for STEM programs  | \$350,000   |
| 4. Provided funding for the STEM network   | \$300,000   |

**2015-17 Biennium**

- |  |             |
|--|-------------|
| 1. Added funding to continue Cass County Area Technology Center  | \$500,000   |
| 2. Added funding to increase reimbursement rates CTE programs  | \$700,000   |
| 3. Added funding for <b>new</b> and <b>expanding</b> programs  | \$700,000   |
| 4. Reduced funding for grants, including STEM program grants (\$160,000), STEM network (\$140,000), and other grant adjustments (\$10,436) | (\$310,436) |
| 5. Added funding for a STEM advancement initiative   | \$100,000   |

Major Components of Base Budget

The line items in our budget are: Salaries, Operating, and Grants along with specific line item grants for Postsecondary Grants, Adult Farm Management, and Workforce Training.



The Salaries line is determined through the session so I won't go into detail other than to say that your state employees are your most valuable assets. We have 26.50 FTE, which is being reduced to 25.5 FTE for the 2017-19 biennium. You will notice in your legislative green sheet; we have reduced our FTE count each biennium since 2009. We are cognizant of, and prudent with taxpayers money.

The Operating line is at \$1.2 million. We have reduced our general fund operating by approximately 25% from our 2015-17 original budget.

The Grants line is next, the \$31,240,290 represents both state and federal funding. State "Grant" funds go to schools and Area Centers on a reimbursement basis, based on a portion of the local costs of the CTE programs that schools offer, while federal "Grant" funding is allocated to schools, based on Title I census data, and two-year colleges based on the number of Pell Grants.

The state funding is both an incentive for schools to offer quality CTE programming and helps to offset the higher cost of operating a CTE program. For this current biennium those rates have been reduced from 27% to 26% for local school districts and 40% to 39% at Area Centers. Area Centers are funded at a higher rate to incentivize cooperation between schools which means more access to more programs, and at a shared cost ...programs that a school is not able to provide on their own.

The Grant funds also provide incentives to schools who offer CTE programs, either through interactive video (ITV) or online, to their neighbor school down the road or across the state. We provide an additional 4% for each school that they send their CTE program to.

Through these incentives, the accessibility of CTE courses has increased. In the 2015 - 2016 school year there were 80 schools participating in 37 different CTE courses delivered through interactive video (ITV) and 65 schools participating in 27 different online CTE courses, serving a total enrollment of 1,013 students. These numbers reflect an increase over previous years. The bottom half of this slide shows the growth that has occurred in distance delivered CTE courses since 2009.

While these are good numbers there is still access and availability problems in many local schools to offer a variety of CTE programs. The North Dakota CTE Scholarship requires that students take four CTE credits and two or more credits in a single pathway to qualify. We want to expand the offerings a student has available. As a state we require students, before they leave the eighth grade, to make a four-year education plan based on their goals and interests but, if as a state, we cannot make those classes of interest available, we are missing a great opportunity for student learning and student engagement. To get an idea of the courses offered, there is a gold handout in your materials that lists all the distance delivered CTE courses, the number of students enrolled, and frequency of the courses. This list is also posted to our website as a directory to schools on what is available.

The overall availability of CTE courses has also grown. This slide shows the growth in the number of schools that have these courses available for their students. This next slide breaks down our Trade & Industry Program Area into the individual programs.

Back to our budget. The next line is the Postsecondary Grants base of \$661,113. A portion of these funds are equally split between each of the five two-year campuses for help in starting new CTE programs and enhancing existing programs. It is also used to

provide instructor training and mentoring to new CTE instructors coming directly out of industry.

The next line item is Farm Management at \$660,438. We have 13 programs across the state that work with 1,002 farmers and ranchers in 602 farming and ranching operations to provide them the education they need to better manage their operations. As a part of this program, a statewide analysis of their records is completed that provides insight not only for the individual farmers and ranchers in the program but also for statewide use by the banking industry, extension service, and policy makers supporting those farm and ranch operations. In 2016 Farm Management partnered with the Department of Agriculture to assist in providing Ag Mediation Services. Due to commodity prices, it is anticipated that more farmers will be facing financial difficulties and this partnership will enable the two agencies to share resources and not have to add additional staffing to meet the expected increase in demand for these services.

The final line item is Workforce Training with a base budget of \$2.8 million. It provides funding for the Workforce Training regions, known as TrainND. It is allocated to the two-year campuses in each of the four regions based on the number of employees in the region. There are representatives from the Workforce Training Regions here to update you on their activities.

To complete the column, under "Funding Source" it shows our source of funding is a 76% state and 24% federal funding split.

Traditionally CTE programs are higher cost and they are elective courses which suffer more when overall school funds are limited. Our priority is to maintain reimbursement rates to schools and their CTE programs.

## Effects of Budget Reductions and Spending

You asked for the impact of the 6.55% reduction approved at the August Special Session. There is a yellow handout which breaks down each line item and the impact on state general funds. Along the right side are the specific reductions we made. There is a column headed "6.55% Reduction" which shows the impact on each line item. The next column are the actual cuts that were made, followed by the percentage of that cut. On the far right are the itemized adjustments. A total of \$2,221,764 was cut from our budget.

To report on Spending and One-Time Funding, we anticipate that \$45,000 of salaries from position turnover and \$86,344 from the one-time funding grant "Autism and Technology" will be returned to the general fund. All other funding will be fully allocated to schools.

## List of Proposed Budget Reductions to meet the 10% Governor's Request

This next slide and the blue handout, is a listing of the 10% reductions as we submitted them, a total reduction of \$3,530,664.

## 2017-19 Federal Funding

We anticipate no changes to federal funding.

## Budget changes to SB2019

Lastly, you wanted to know the changes made to our budget up to this point. There is a legal sized worksheet labeled House Appropriations Budget Worksheet. It shows where we started and every change. The Base Budget is the first number column, Governor Dalrymple's adjustments and budget are the second and third column. It reflects a total General Fund reduction of \$1,356,782 from the base budget.

The next columns are the adjustments and budget of Governor Burgum; they are in addition to Governor Dalrymple's budget. A reduction in salaries reflecting the 5% on the employee health insurance and adding \$1,400,000 of General Fund to the Grants line item. Without that added funding we were facing a Maintenance of Effort issue with state funds which would have put our \$8.5 million of federal Perkins funds in jeopardy.

The last two columns are the changes that the Senate made to our budget. The change is in the Grants line where it shows an addition of \$1,302,566. If you look at the bottom of that column you will see that Special Funds have increased by \$2,477,000. The Senate accessed these funds through the Foundation Aid Stabilization Fund based on SB2272. This funding will hold harmless secondary CTE programs in schools and still reflects a \$1,377,183 reduction to the General Fund.

The workforce data shows the need to enhance and provide greater access to CTE programming. CTE programs are traditionally high cost for schools to operate – more equipment, larger facilities, smaller teacher to student ratios, and they are elective which makes them more vulnerable to being cut in tight budget times. The benefit of CTE programming is that it keeps students engaged in their learning, for some it keeps them in school. Ninety-five percent of CTE concentrators graduate from high school compared to 87% of all students in ND, and CTE provides a foundation for their future career and educational goals.

The challenge our agency faces is how we help schools provide these CTE opportunities to all students. The Senate action to help maintain our funding to schools targets the Foundation Aid Stabilization Fund to keep CTE funding to local schools' level

and will also solve our Maintenance of Effort issue which will keep \$8.4 million dollars of federal funding coming to our state.

We believe in the benefits that CTE programming brings to students. CTE students are building the academic and technical skills as well as the career skills to be successful in life and in their career. The budget request before you will help us maintain funding.

Mr. Chairman and members of the committee, thank you for the opportunity to talk about CTE and I would be glad to answer any questions that you may have.

# SB2019

March 3, 2017  
House Appropriations  
Education and Environment Division



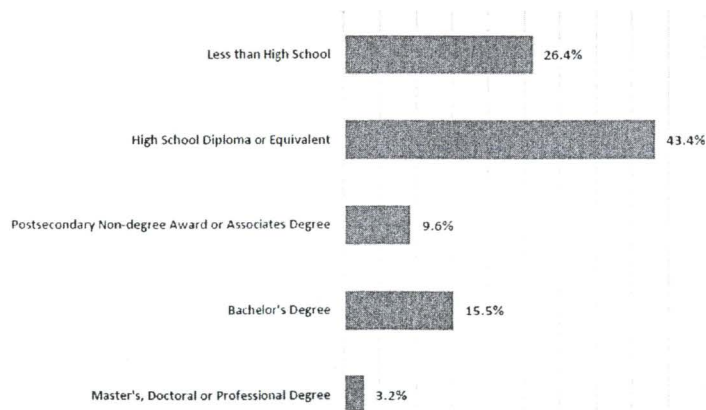
2017 - 2019 Biennium Budget Presentation

North Dakota Department of  
Career and Technical Education

2/28/2017

## PERCENTAGE OF NORTH DAKOTA JOBS BY TYPICAL EDUCATION LEVEL

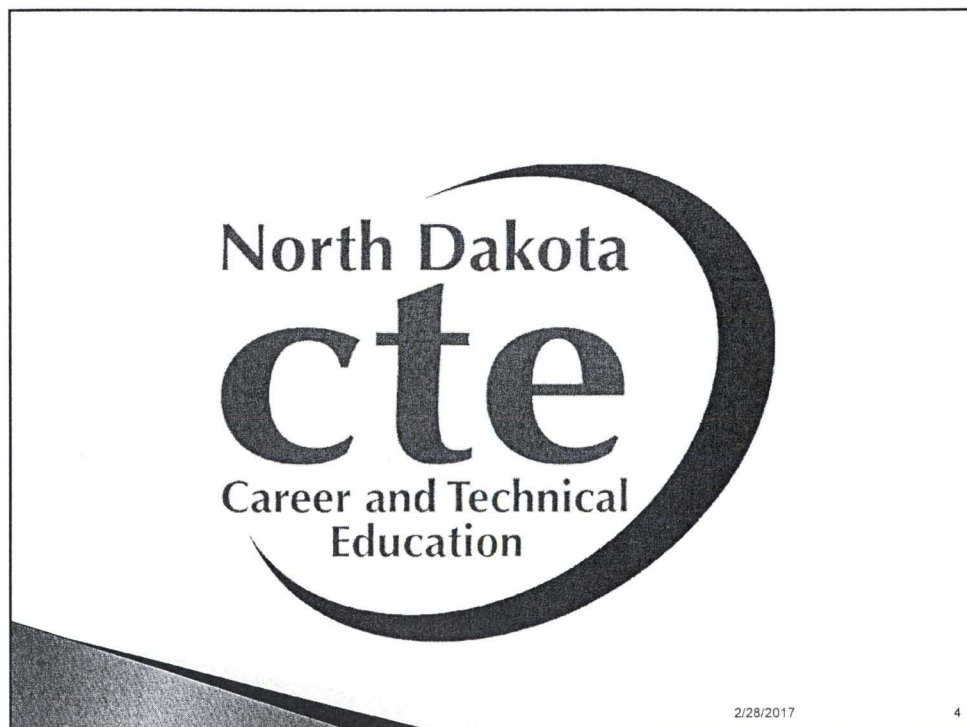
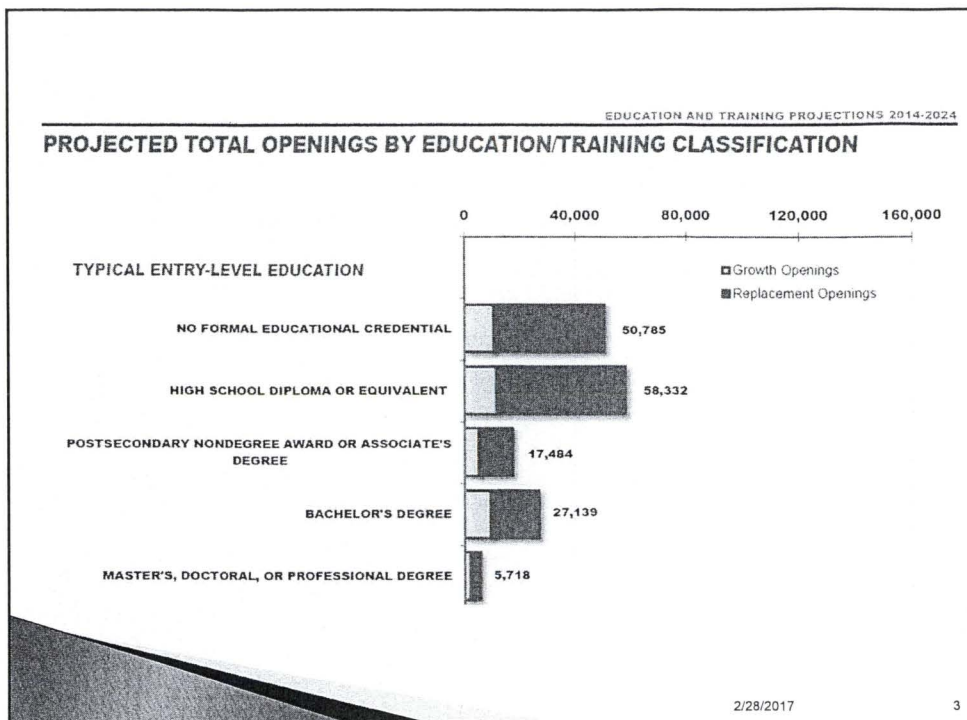
2015 Data



Source: Job Service North Dakota, Careers in North Dakota 2016 Edition

2/28/2017

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## CTE Enrollment

- ▶ Secondary (9-12)
  - 20,828 Enrolled
  - 6,538 Concentrators
    - 69% of students enrolled in CTE
    - 39% of CTE students take multiple CTE courses
  - (16,242 Grades 6 - 8 Agriculture, FACS, Tech & Engineering)
  
- ▶ Postsecondary
  - 10,884 Enrolled
  - 5,430 Concentrators

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## Department of Career and Technical Education

- ▶ Technical Assistance
  - Programs
    - Industry Standards
    - Curriculum suggestions
    - Funding
    - Program Evaluations (5 year cycle)
  - Teachers
    - Certification – traditional and alternative
    - Professional Development
  - Career and Technical Student Organizations
    - Leadership and coordination

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## Program Areas

Agriculture Education  
 Business Education  
 Career Development  
 Career Resource Network  
 Family and Consumer Sciences Education  
 Information Technology Education  
 Marketing Education  
 Special Populations/Educational Equity  
 Technology and Engineering Education  
 Trade, Industry and Health Sciences (T&I)

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## Secondary Trade, Technical & Health Sciences (T&I)

- ▶ Auto Collision
- ▶ Auto Technology
- ▶ Aviation
- ▶ Commercial Art
- ▶ Construction Tech
- ▶ Culinary Arts
- ▶ Diesel Technology
- ▶ Drafting
- ▶ Electronics Tech
- ▶ Facilities Maintenance
- ▶ Graphic Arts
- ▶ Health Sciences
- ▶ Machine Tooling
- ▶ Oil & Gas Tech
- ▶ Recreational Engines
- ▶ Welding Technology

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## CTE Funding by Function

<b>Total Biennium Budget</b>	<b>\$41.1 million</b>	
Secondary - Grades 9-12	22.0 million	
Federal	5.5 million	66.9%
Elementary / Middle School	.3 million	.7%
2-yr Campuses	3.4 million	
Federal	3.0 million	15.6%
Adult Farm Management	1.8 million	4.4%
Agency Salary & Operating	4.3 million	
Federal	.8 million	12.4%

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North Dakota

**cte**

Career and Technical  
Education

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## Major Ongoing Funding 2013

- ▶ Cost to continue reimbursement rates \$500,000
- ▶ New and expanding programs \$1,205,000
  - including expanding online and ITV
  - develop pilot distance delivery program
  - develop emerging technology consortium
- ▶ Provided funding for STEM programs \$350,000
- ▶ Provided funding for the STEM network \$300,000

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## Major Ongoing Funding 2015

- ▶ Continue Cass County Area CTC \$500,000
- ▶ Increase CTE reimbursement rates \$700,000
- ▶ New and expanding programs \$700,000
- ▶ Reduced funding (\$310,436)
  - STEM program grants (\$160,000),
  - STEM network (\$140,000),
- ▶ STEM advancement initiative \$100,000

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## Major Components of Base Budget

Budget Line Items	
Salaries	\$4,763,504
Operating	1,267,340
Grants	31,240,290
Postsecondary Grants	661,113
Adult Farm Management	660,438
Workforce Training	2,803,500
<b>Total Line Items</b>	<b>\$41,396,185</b>
Sources of Funding	
General Fund	\$31,698,298
Federal Funds	9,542,913
Special Funds	154,974
<b>Total Funding Source</b>	<b>\$41,396,185</b>

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## Grant Funding to Schools

- ▶ CTE Reimburses
  - 26% on CTE teacher salary
  - 39% at Area Centers
  - 4% Incentive for Online and ITV

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## Distance Delivered CTE Programming

- 2016
  - 80 districts ITV
    - 37 courses – 123 sections – 463 students
  - 65 districts Online
    - 27 courses – 186 sections – 550 students
  - IT, FACS, T&I, Marketing, Health Sciences, Ag, and Business
  - 1,013 Students
- 2009
  - 42 districts ITV
    - 19 courses – 85 sections – 330 students
  - 8 districts Online
    - 3 courses – 8 sections – 25 students
  - IT, FACS, T&I, Marketing, Health Sciences, Ag, and Business

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## Secondary CTE Program Availability

Program	2009	2016
Agriculture Education	85	109
Business Education	74	85
Family and Consumer Sciences	129	127
Technology & Engineering Education	77	73
Marketing Education	42	89
Information Technology Education	70	93
Career Development	105	110
Trade, Technical & Health Sciences	83	128

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## Trade, Technical & Health Sciences Availability in Districts

Program	2009	2016	Program	2009	2016
Auto Collision	4	6	Facilities Maintenance	3	2
Auto Technology	18	53	Health Sciences	47	116
Aviation Technology	1	43	Medical Term.	4	30
Graphic Communication	5	35	EMT	10	14
Construction Technology	26	64	Machine Tooling	2	10
Culinary Arts	2	11	Power Sports	4	3
Drafting	12	1	Welding Technologies	16	67
Electronics	2	41			

3/1/2017

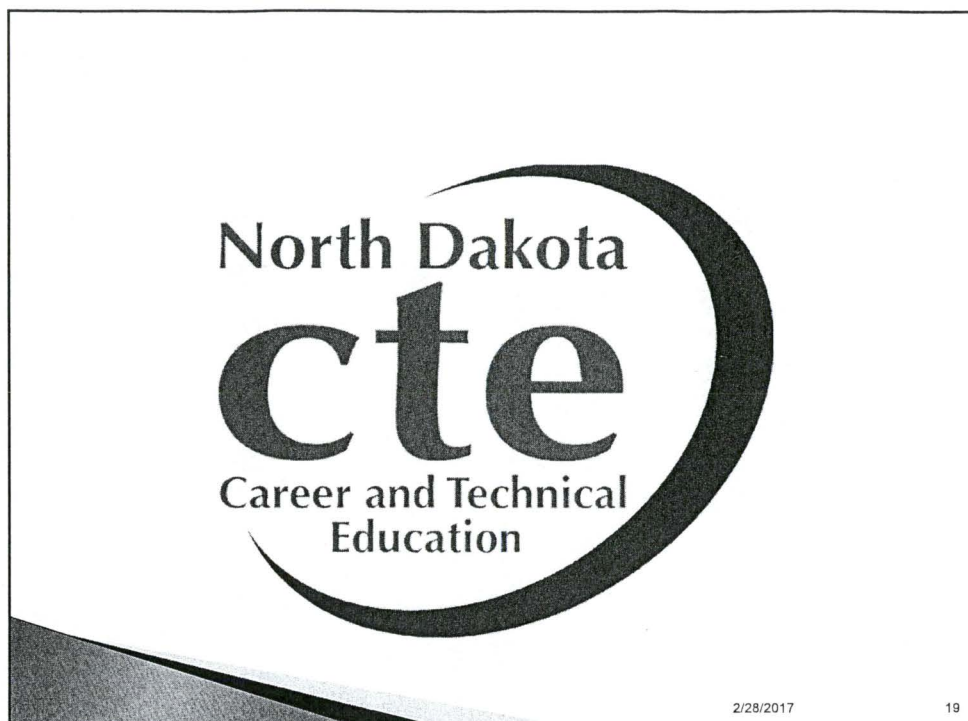
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## Major Components of Base Budget

<b>Budget Line Items</b>	
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<b>Total Funding Source</b>	<b>\$41,396,185</b>

2/28/2017

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### Governor's 90% Request Guidelines

Salaries - 1 FTE & Transition Adjustments		\$307,389
Operating Expenses		\$323,340
Travel	56,000	
Professional Development	30,000	
Professional Services	30,000	
Printing, Paper, Supplies	20,000	
Office Supplies	32,000	
Train & Certification	20,000	
Phone	5,000	
ITD - desktop	130,340	
Grants to Schools		\$2,459,210
Secondary Grants	2,117,710	
STEM, Matching and Infusion Grants	35,000	
Emerging Technology	198,500	
Innovation and Distance Delivery Grants	27,000	
Technical Assessments	25,000	
Elementary Entrepreneurship	30,000	
Teacher Professional Development	20,000	
PT Adult	6,000	
Adult Farm Management		\$70,745
Postsecondary Grants		\$69,980
Workforce Training		\$300,000
Total Budget Reductions		\$3,530,664

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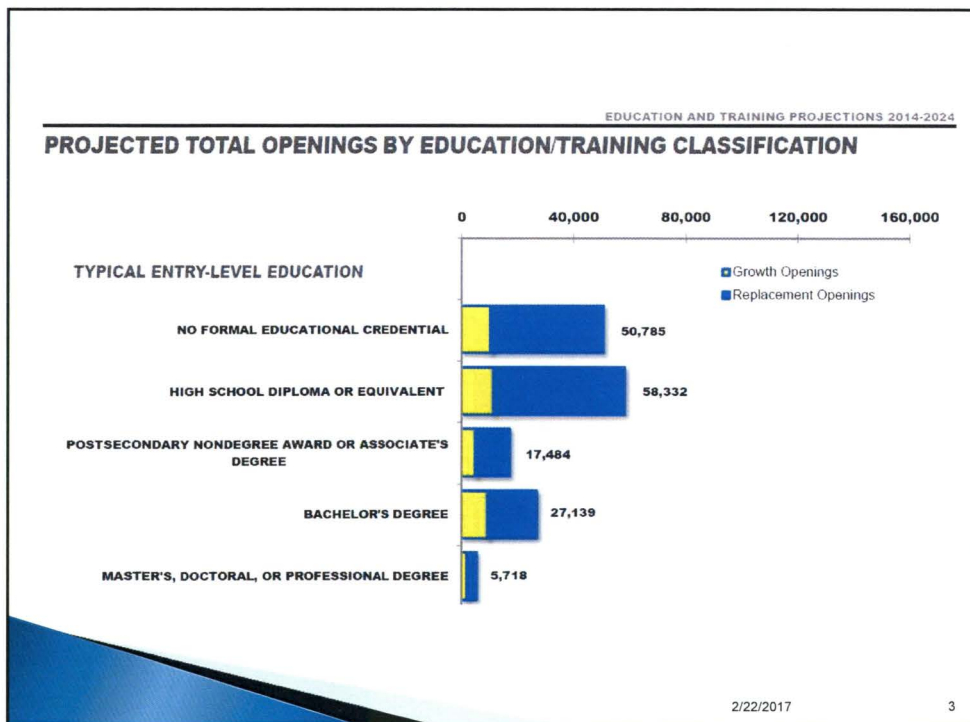
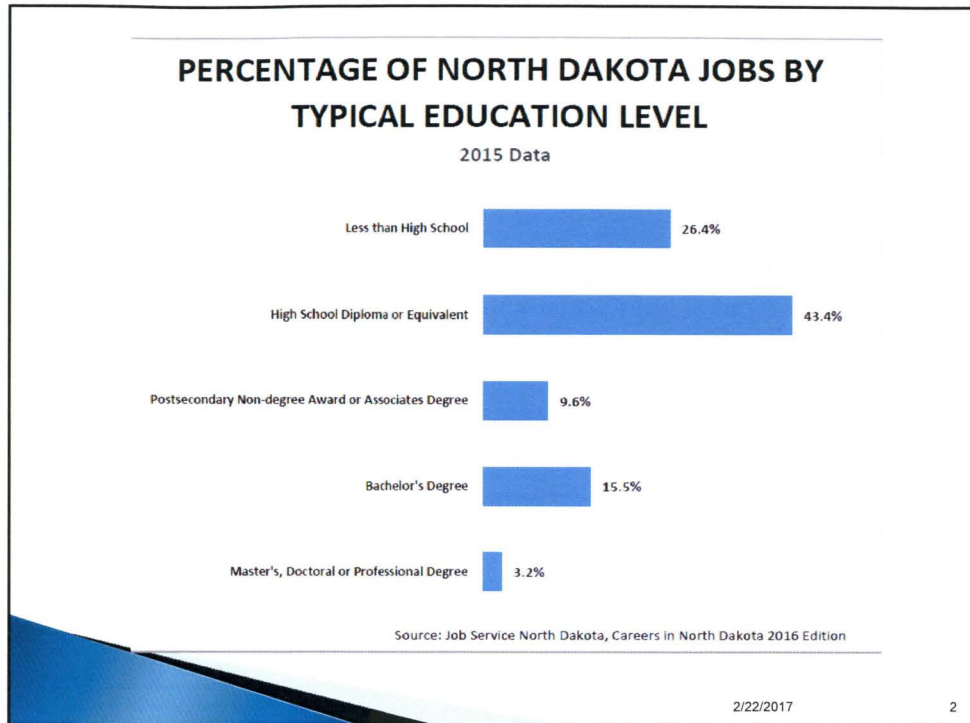


## HOUSE APPROPRIATIONS WORKSHEET

	Base Budget	Dalrymple Adjustment to Base	Dalrymple Budget	Burgum Adjustment to Base	Burgum Budget	Senate Adjustment to Base	Senate Budget
<b>LINE ITEMS</b>							
Salaries and Wages	4,763,504	121,703	4,885,207	(35,984)	4,849,223	101,303	4,864,807
Operating Expenses	1,267,340	(26,751)	1,240,589		1,240,589	(26,751)	1,240,589
Grants	31,240,290	(1,174,434)	30,065,856	1,400,000	31,465,856	1,302,566	32,542,856
Postsecondary Grants	661,113	(74,406)	586,707		586,707	(74,406)	586,707
Adult Farm Management	660,438	(80,616)	579,822		579,822	(80,616)	579,822
Workforce Training	2,803,500	(203,500)	2,600,000		2,600,000	(203,500)	2,600,000
<b>TOTAL: LINE ITEMS</b>	<b>41,396,185</b>	<b>(1,438,004)</b>	<b>39,958,181</b>	<b>1,364,016</b>	<b>41,322,197</b>	<b>1,018,596</b>	<b>42,414,781</b>
<b>FUNDING SOURCE</b>							
General Fund	31,698,298	(1,356,782)	30,341,516	1,364,016	31,705,532	(1,377,183)	30,321,115
Federal Funds	9,542,913	(81,222)	9,461,691	-	9,461,691	(81,221)	9,461,691
Special Funds	154,974	-	154,974	-	154,974	2,477,000	2,631,974
<b>TOTAL: FUNDING SOURCE</b>	<b>41,396,185</b>	<b>(1,438,004)</b>	<b>39,958,181</b>	<b>1,364,016</b>	<b>41,322,197</b>	<b>1,018,596</b>	<b>42,414,781</b>
FTE 26.5	(1.0)		(1.0)		(1.0)	(1.0)	25.5

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**North Dakota**  
**cte**  
**Career and Technical  
Education**



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**NORTH DAKOTA STATE BOARD FOR  
CAREER AND TECHNICAL EDUCATION**

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## CTE Program Areas

Agriculture Education

Business Education

Career Development

Career Resource Network

Family and Consumer Sciences

Information Technology

Marketing Education

Special Populations

Technology and Engineering Education

Trade, Industry and Health Sciences (T&I)

Auto Collision

Auto Technology

Aviation

Commercial Art

Construction Tech

Culinary Arts

Diesel Technology

Drafting

Electronics

Facilities Maintenance

Graphic Arts

Health Sciences

Machine Tooling

Oil Production Technology

Recreational Engines

Welding Technology

**Area Career and Technology Centers  
Member Districts (97)  
Programs Offered  
2016-2017**

**Cass County Area Career & Technology Center (Virtual)**

Central Cass, Fargo, Northern Cass, West Fargo

PROGRAMS: Aviation Technology, Agriculture, Health Science, Welding Technology, Diesel Technology, Automated Manufacturing

**Grand Forks Area Career & Technology Center (Virtual)**

Central Valley, Grand Forks, Hatton, Hillsboro, Larimore, May-Port CG, Northwood, Thompson

PROGRAMS: Health Sciences, Information Technology, Automotive Technology, Agriculture, Aviation Technology

**James Valley Area Career & Technology Center - Jamestown**

Jamestown, Montpelier, Pingree-Buchanan

PROGRAMS: Agriculture, Business Education, Career Development, Childcare, Health Sciences, Information Technology, Marketing, Machining Technology, Automotive Collision, Automotive Technology

**Lake Area Career & Technology Center -Devils Lake**

Devils Lake High School, Maddock, Minnewaukan, Munich, School for the Deaf, Starkweather

PROGRAMS: Automotive Technology, Business Education, Career Development, Culinary Arts, Construction Technology Childcare, Information Technology Health Sciences, Marketing, Special Populations, Welding Technology,

**Missouri River Area Career & Technology Center (Virtual)**

Ashley, Beulah, Bismarck, Center-Stanton, Elgin-New Leipzig, Flasher, Garrison, Goodrich, Hazen, HMB (Hazelton, Moffit, Braddock), Kidder County, Linton, Mandan, McClusky, Napoleon, New Salem, Selfridge, Solen-Cannonball, Standing Rock, Strasburg, Turtle Lake-Mercer, Underwood, Washburn, White Shield, Wilton, Wing, Wishek, Zeeland

PROGRAMS: Health Sciences, Information Technology, Marketing, Electronics Technology, Welding Technology, Aviation Technology

**North Central Area Career & Technology Center (Virtual)**

Bottineau, Drake, Dunseith, Harvey, MLS (Mohall, Lansford, Sherwood), New Rockford, Rugby, St John, Sawyer, TGU (Towner, Granville, Upham), Velva, Westhope

PROGRAMS: Health Sciences, Welding Technology, Construction Technology

**North Valley Area Career & Technology Center- Grafton**

Drayton, Grafton, Inkster (Midway), Park River, St. Thomas, Valley-Edinburg

PROGRAMS: Agriculture, Business Education, Career Development, Health Sciences, Marketing, Machining Technology, Welding Technology, Automotive Technology, Construction Technology

**Roughrider Area Career and Technology Center (Virtual)**

Beach, Belfield, Dickinson, Glen Ullin, Hebron, Hettinger, Killdeer, Mott-Regent, New England, Richardton-Taylor, Scranton, South Heart

PROGRAMS: Agriculture, Welding Technology, Business Education, Career Development, Health Sciences, Information Technology, Marketing

**Sheyenne Valley Area Career and Technology Center – Valley City**

Barnes County North at Wimbledon, Maple Valley-Tower City, Valley City

PROGRAMS: Construction Technology, Automotive Technology, Career Development, Health Sciences, Information Technology, Welding Technology, Commercial Art,

**Southeast Region Career & Technology Center - Wahpeton and Oakes**

Campbell-Tintah, Ellendale, Fairmount, Hankinson, Lidgerwood, Lisbon, Oakes, Richland-Colfax, Sargent Central, Wahpeton, Wyndmere

PROGRAMS: Agriculture, Childcare, Marketing, Video Production, Automotive Technology, Health Sciences, Restaurant Management, Construction Technology, Career Development, Technology and Engineering,

**Western Star Area CTC (Virtual)**

Alexander, Trenton, Watford City, Williston

PROGRAMS: Automotive Technology, Construction Technology, Health Sciences, Welding Technology, Agriculture

# ND Department of Career and Technical Education

## Cooperative Arrangements

### ITV 2015-2016

Updated 9/16

<u>Transmitting School (ITV)</u>	<u>Receiving School</u>	<u>Course Code</u>	<u>CTE Programs</u>	<u>Students Enrolled</u>
Drake	Carrington	14012	Accounting III	4
		14013	Accounting IV	2
	Towner-Granville-Upham	14012	Accounting III	1
		14013	Accounting IV	1
Grand Forks Area CTC	Central High School	01012	Foundations of Agriculture	2
	Central Valley	17812	Aviation Technology I	4
	May-Port CG	01012	Foundations of Agriculture	3
		01011	Introduction to Agriculture	11
Great Northwest Area CTC	Mandaree	07033	Health Careers I	7
		07034	Prevention/Care of Athletic Injuries	1
	Ray	07034	Prevention/Care of Athletic Injuries	1
	Watford City	07034	Prevention/Care of Athletic Injuries	1
Lake Area CTC	Maddock	14010	Accounting I	1
		14011	Accounting II	1
		14025	Spreadsheets	11
		14096	Word Processing	11
LaMoure	Ellendale	01066	Small Animal Care	4
		01067	Veterinary Science	4
	Litchville-Marion	01066	Small Animal Care	8
		01067	Veterinary Science	8
	New Rockford	01066	Small Animal Care	8
		01067	Veterinary Science	8
	Scranton	01066	Small Animal Care	3
		01067	Veterinary Science	3
Leeds	Litchville-Marion	09026	Child Development	1
	Ray	09026	Child Development	2
Missouri River Area CTC	Berthold	07033	Health Careers I	5
	Bowbells	07033	Health Careers I	1
	Garrison	07033	Health Careers I	3
	Kenmare	07033	Health Careers I	3
	Killdeer	07033	Health Careers I	6
	Max	07033	Health Careers I	4
	Napoleon	07033	Health Careers I	6
	Wilton	07033	Health Careers I	10
North Central Area CTC	Berthold	07034	Prevention/Care of Athletic Injuries	4
	Center	07045	Emergency Medical Services	1
	Des Lacs	07033	Health Careers I	10
	Killdeer	07045	Emergency Medical Services	4
	LaMoure	07033	Health Careers I	1
	Litchville-Marion	07033	Health Careers I	2
	Max	07045	Emergency Medical Services	3
	Midkota	07034	Prevention/Care of Athletic Injuries	2
	Montpelier	07045	Emergency Medical Services	5
Scranton	07034	Prevention/Care of Athletic Injuries	2	

<u>Transmitting School (ITV)</u>	<u>Receiving School</u>	<u>Course Code</u>	<u>CTE Programs</u>	<u>Students Enrolled</u>
	Stanley	07033	Health Careers I	6
	Surrey	07045	Emergency Medical Services	2
		07033	Health Careers I	9
<b>North Valley Area CTC</b>	Cavalier	04240	Sports & Entertainment Marketing	1
	Divide County	17236	Welding Technology I	6
	Fordville-Lankin	17236	Welding Technology I	1
	North Border - Pembina	17236	Welding Technology I	5
	North Border - Walhalla	04111	Entrepreneurship	3
		07033	Health Careers I	2
		07036	Medical Terminology	2
		04240	Sports & Entertainment Marketing	3
		17236	Welding Technology I	5
	Park River	04111	Entrepreneurship	1
		17236	Welding Technology I	1
	St. Thomas	07033	Health Careers I	1
		07036	Medical Terminology	1
	Valley-Edinburg	04111	Entrepreneurship	3
		07033	Health Careers I	5
		04240	Sports & Entertainment Marketing	3
<b>Roughrider Area CTC</b>	Belfield	01073	Agriculture III	1
		01061	Livestock Production	8
	Hazelton-Moffit-Braddock	01061	Livestock Production	3
		01063	Natural/Environmental Resources	3
	Richardton-Taylor	14010	Accounting I	7
		14011	Accounting II	7
	Underwood	01073	Agriculture III	3
	Wilton	01073	Agriculture III	1
<b>Sheyenne Valley Area CTC</b>	Central Cass	27266	CCNA Introduction to Networks	4
		27267	CCNA Routing & Switching Essentials	1
		27219	Computer Hardware & Operating Systems	1
		27280	Introduction to Cybersecurity	4
		27122	Programming Essentials-Visual Basics	2
	Central Valley	17072	Commercial Art I	4
	Finley-Sharon	17072	Commercial Art I	5
		27122	Programming Essentials-Visual Basics	1
	Fordville-Lankin	07033	Health Careers I	5
	Hope-Page	27219	Computer Hardware & Operating Systems	2
		27122	Programming Essentials-Visual Basics	1
	Larimore	07033	Health Careers I	5
	Litchville-Marion	27219	Computer Hardware & Operating Systems	1
	Maple Valley	27267	CCNA Routing & Switching Essentials	1
	Midway	27267	CCNA Routing & Switching Essentials	1
		27219	Computer Hardware & Operating Systems	6
	Minto	27266	CCNA Introduction to Networks	1
		07033	Health Careers I	1
		07036	Medical Terminology	2
		27122	Programming Essentials-Visual Basics	1
	Thompson	27219	Computer Hardware & Operating Systems	2
		07033	Health Careers I	6
<b>Southeast Area Region CTC</b>	Fairmount	07046	Advanced EMS	2
		07045	Emergency Medical Services	5
	Hankinson	01021	Agriscience Technology I	4
		07045	Emergency Medical Services	1
		07033	Health Careers I	9



<u>Transmitting School (ITV)</u>	<u>Receiving School</u>	<u>Course Code</u>	<u>CTE Programs</u>	<u>Students Enrolled</u>
	Lidgerwood	04240	Sports & Entertainment Marketing	11
		07033	Health Careers I	6
	Milnor	04240	Sports & Entertainment Marketing	4
		07035	Advanced Health Careers	1
		07045	Emergency Medical Services	2
		04235	Social Media Marketing	5
		04240	Sports & Entertainment Marketing	4
<b>Southeast Area Region CTC</b>	North Sargent	10260	3D Modeling & Design	6
		07046	Advanced EMS	1
		10259	Design/Drafting	6
	Richland-Colfax	01021	Agriscience Technology I	6
		07033	Health Careers I	13
	Sargent Central	10260	3D Modeling & Design	3
		10259	Design/Drafting	3
		07045	Emergency Medical Services	7
		04011	Entrepreneurship	4
		07033	Health Careers I	3
		04235	Social Media Marketing	4
	Wahpeton	10260	3D Modeling & Design	3
		10259	Design/Drafting	3
		07045	Emergency Medical Services	5
		04011	Entrepreneurship	3
		04235	Social Media Marketing	2
	Wyndmere	07045	Emergency Medical Services	4
<b>12</b>	<b>68</b>		<b>37</b>	<b>463</b>

Students Enrolled

3D Modeling & Design - 12	Child Development - 3	Medical Terminology - 5
Accounting I - 8	Commercial Art I - 9	Natural/Environmental Resources - 3
Accounting II - 8	Computer Hardware - 12	Prevnt/Care of Athletic Injuries - 11
Accounting III - 5	Design/Drafting - 12	Programming Essentials - 5
Accounting IV - 3	Emergency Medical Services - 39	Small Animal Care - 23
Advanced EMS - 3	Entrepreneurship - 14	Social Media Marketing - 11
Advanced Health Careers - 1	Foundations of Agriculture - 5	Sports & Entertainment Mktg - 26
Agriculture III - 5	Health Careers I - 129	Spreadsheets - 11
Agriscience Technology I - 10	Introduction to Agriculture - 11	Veterinary Science - 23
Aviation Technology I - 4	Introduction to Cybersecurity - 4	Welding Technology I - 18
CCNA Intro to Networks - 5	Livestock Production - 11	Word Processing - 11
CCNA Routing & Switching - 3		

# ND Department of Career and Technical Education

## Cooperative Arrangements

### School Districts Online Programs 2015-2016

Updated 9/16

<u>Transmitting School</u> <u>(On-Line)</u>	<u>Receiving School</u>	<u>Course</u> <u>Code</u>	<u>CTE Programs</u>	<u>Students</u> <u>Enrolled</u>
Grand Forks Area CTC	Central High School	07036	Medical Terminology	8
	Central Valley Public School	07032	Nurse Assistant	2
	Community High School	07032	Nurse Assistant	5
	Hatton	07036	Medical Terminology	2
		07032	Nurse Assistant	2
		27122	Programming Essentials-Visual Basics	1
	Hillsboro	07036	Medical Terminology	11
		07032	Nurse Assistant	7
	Larimore	07036	Medical Terminology	9
		07032	Nurse Assistant	4
	May-Port CG	27122	Programming Essentials-Visual Basics	5
	Northwood Public School	07036	Medical Terminology	3
		07032	Nurse Assistant	3
	Red River High School	07036	Medical Terminology	16
		07036	Medical Terminology	8
	Thompson	07032	Nurse Assistant	5
		27122	Programming Essentials-Visual Basics	2
Lake Area CTC	Starkweather	09213	Food Service/Culinary Arts	2
Mouri River Area CTC	Ashley	17072	Commercial Art I	1
		27219	Computer Hardware & Operating Systems	1
		09132	Family Living	2
		09025	Independent Living	3
		27101	Introduction to Information Technology	1
		07036	Medical Terminology	1
		10610	STEM Seminar (Tech Ed)	3
	Beulah	17812	Aviation Technology I	1
		17072	Commercial Art I	1
		10610	STEM Seminar (Tech Ed)	2
		07036	Medical Terminology	21
		09026	Child Development	1
	Bismarck High School	07033	Health Careers I	3
		07036	Medical Terminology	1
	Center-Stanton	07036	Medical Terminology	20
		04223	Management	1
	Century High School	07036	Medical Terminology	1
	Drake	04223	Management	1
	Edgeley	17150	Electronics Technology I	1
	Flasher	17812	Aviation Technology I	1
		17072	Commercial Art I	5
		17150	Electronics Technology I	1
		07033	Health Careers I	4
		04223	Management	1
		04210	Marketing I	1
		07036	Medical Terminology	4
		04240	Sports & Entertainment Marketing	1
Garrison		17150	Electronics Technology I	1
		10610	STEM Seminar (Tech Ed)	5

<u>Transmitting School</u> (On-Line) Missouri River Area CTC	<u>Receiving School</u>	<u>Course Code</u>	<u>CTE Programs</u>	<u>Students Enrolled</u>
	Glen Ullin	17812	Aviation Technology I	4
		07036	Medical Terminology	1
	Goodrich	10610	STEM Seminar (Tech Ed)	2
	Grant County	27219	Computer Hardware & Operating Systems	1
		17150	Electronics Technology I	1
		07033	Health Careers I	3
		27101	Introduction to Information Technology	1
		04210	Marketing I	2
		07036	Medical Terminology	3
	Hatton	27219	Computer Hardware & Operating Systems	7
		27101	Introduction to Information Technology	7
	Hazelton-Moffit-Braddock	27219	Computer Hardware & Operating Systems	1
		27101	Introduction to Information Technology	2
		27120	Introduction to Programming Languages	2
		27122	Programming Essentials - Visual Basics	2
		10610	STEM Seminar (Tech Ed)	3
	Hazen	27219	Computer Hardware & Operating Systems	2
		27101	Introduction to Information Technology	2
		27120	Introduction to Programming Languages	3
		07036	Medical Terminology	4
		27122	Programming Essentials - Visual Basics	2
		04240	Sports & Entertainment Marketing	1
	Kidder County	17812	Aviation Technology I	1
		07033	Health Careers I	1
		27101	Introduction to Information Technology	1
		27120	Introduction to Programming Languages	1
	LaMoure	27219	Computer Hardware & Operating Systems	1
		27101	Introduction to Information Technology	1
	Legacy High School	07036	Medical Terminology	6
	Linton	17812	Aviation Technology I	2
		27219	Computer Hardware & Operating Systems	2
		07033	Health Careers I	6
		27101	Introduction to Information Technology	2
		07036	Medical Terminology	2
		09130	Parenting	3
	Medina	17812	Aviation Technology I	1
		17813	Aviation Technology II	1
		27219	Computer Hardware & Operating Systems	1
		27101	Introduction to Information Technology	1
	Napoleon	17812	Aviation Technology I	1
		17072	Commercial Art I	2
		17150	Electronics Technology I	2
	New Salem	07035	Advanced Health Careers	4
		17812	Aviation Technology I	3
		17813	Aviation Technology II	1
		09026	Child Development	1
		17072	Commercial Art I	1
		17150	Electronics Technology I	1
		07033	Health Careers I	4
		09025	Independent Living	8
		27120	Introduction to Programming Languages	2
		07036	Medical Terminology	1
		09130	Parenting	1
		27122	Programming Essentials - Visual Basics	2
		04240	Sports & Entertainment Marketing	2
		10610	STEM Seminar (Tech Ed)	6
	St. Mary's High School	17812	Aviation Technology I	8
		27219	Computer Hardware & Operating Systems	2
		07033	Health Careers I	19

<u>Transmitting School</u> <u>(On-Line)</u>	<u>Receiving School</u>	<u>Course Code</u>	<u>CTE Programs</u>	<u>Students Enrolled</u>	
Missouri River Area CTC	Selfridge	09025	Independent Living	2	
		27101	Introduction to Information Technology	1	
		27120	Introduction to Programming Languages	1	
		07036	Medical Terminology	2	
		09130	Parenting	2	
		27122	Programming Essentials - Visual Basics	1	
	Shiloh		09025	Independent Living	1
			27101	Introduction to Information Technology	1
			07035	Advanced Health Careers	1
			09026	Child Development	9
			17072	Commercial Art I	7
			27219	Computer Hardware & Operating Systems	3
			17150	Electronics Technology I	2
			07033	Health Careers I	3
			27101	Introduction to Information Technology	4
			27120	Introduction to Programming Languages	3
	Strasburg		04223	Management	2
			04210	Marketing I	6
			07036	Medical Terminology	8
			09130	Parenting	5
			27122	Programming Essentials - Visual Basics	3
			04240	Sports & Entertainment Marketing	9
			10610	STEM Seminar (Tech Ed)	2
			07033	Health Careers I	1
			09025	Independent Living	1
			09130	Parenting	1
	Turtle Lake-Mercer		10610	STEM Seminar (Tech Ed)	1
			17812	Aviation Technology I	4
			0926	Child Development	1
			17072	Commercial Art I	1
			07033	Health Careers I	1
			27120	Introduction to Programming Languages	3
			04210	Marketing I	1
			07036	Medical Terminology	1
			09130	Parenting	1
			27122	Programming Essentials - Visual Basics	1
Underwood		04240	Sports & Entertainment Marketing	1	
		10610	STEM Seminar (Tech Ed)	6	
		07033	Health Careers I	7	
Washburn		07035	Advanced Health Careers	1	
		17150	Electronics Technology I	3	
Whiteshield		07033	Health Careers I	6	
		10610	STEM Seminar (Tech Ed)	7	
Wilton		17072	Commercial Art I	3	
		09026	Child Development	1	
		07033	Health Careers I	1	
		04210	Marketing I	2	
		10610	STEM Seminar (Tech Ed)	1	

<u>Transmitting School</u> <u>(On-Line)</u>	<u>Receiving School</u>	<u>Course Code</u>	<u>CTE Programs</u>	<u>Students Enrolled</u>	
Missouri River Area CTC	Wing	09026	Child Development	3	
		27219	Computer Hardware & Operating Systems	1	
		09132	Family Living	2	
		09025	Independent Living	1	
		27101	Introduction to Information Technology	1	
		27120	Introduction to Programming Languages	2	
		04210	Marketing I	1	
		09130	Parenting	6	
		27122	Programming Essentials - Visual Basics	2	
	Wishek	07033	Health Careers I	3	
		04240	Management	1	
		04210	Marketing I	4	
	Zeeland	17812	Aviation Technology I	1	
		09026	Child Development	2	
		17150	Electronics Technology I	1	
		09025	Independent Living	1	
		North Valley Area CTC	Grafton	04111	Entrepreneurship
	04240			Sports & Entertainment Marketing	2
	North Border - Pembina		17032	Automotive Technology I	3
01053			Botany/Horticultural Science I	1	
North Border - Walhalla St. Thomas	17032		Automotive Technology I	5	
	01053		Botany/Horticultural Science I	2	
Sheyenne Valley Area CTC	Barnes County North	07036	Medical Terminology	2	
		27170	Introduction to Web Design	1	
	Central Valley Finley-Sharon	17072	Commercial Art I	1	
		07036	Medical Terminology	1	
	Fordville-Lankin	07036	Medical Terminology	3	
	Maple Valley	27266	CCNA Introduction to Networks	2	
	Valley City	07036	Medical Terminology	4	
Southeast Regional Area CTC	Richland-Colfax Fairmount	01067	Veterinary Science	1	
		04210	Marketing I	1	
	Oakes	07036	Medical Terminology	2	
		07036	Medical Terminology	1	
	Wahpeton	07036	Medical Terminology	6	
	<b>Total On-Line: 6</b>	<b>59</b>		<b>27</b>	<b>550</b>

Advanced Health Careers - 6  
Automotive Technology I - 8  
Aviation Technology I - 27  
Aviation Technology II - 2  
Botany/Horticulture I - 3  
CCNA Intro to Networks - 2  
Child Development - 18  
Commercial Art I - 22  
Computer Hardware - 22

Electronics Technology I - 13  
Entrepreneurship - 2  
Family Living - 4  
Food Service/Culinary Arts - 2  
Health Careers I - 62  
Independent Living - 17  
Intro to Information  
Intro to Programming  
Intro to Web Design - 1

Management - 5  
Marketing I - 18  
Medical Terminology - 151  
Nurse Assistant - 28  
Parenting - 19  
Programming Essentials - 21  
Sports & Entertainment Marketing - 16  
STEM Seminar (Tech Ed) - 38  
Veterinary Science - 1

**DEPARTMENT OF CAREER AND TECHNICAL EDUCATION**  
**APPROPRIATION STATUS REPORT**  
**6.55% Budget Reduction Worksheet - Both Allotments**  
**2015 - 2017 Biennium**

	APPROPRIATION	% of Budget	6.55% Reduction	Actual Reduction	% of Total Cut	BALANCE OF APPROPRIATION	ESTIMATED SPENDING	
<b>FUNDS BY LINE ITEM</b>								
<b>SALARIES AND WAGES</b>								
State	\$4,404,683	13.0%	\$288,507	\$340,000	15.3%	\$4,064,683	\$ 4,019,683	Salaries:
Federal & Other	\$698,821						\$ 45,000	STEM 180,000
Total	\$5,103,504							Bus Ed - 4 months 35,000
								FACS 125,000
<b>OPERATING EXPENSES</b>								
State	\$871,699	2.6%	\$57,096	\$296,590	13.3%	\$575,109	\$ 575,109	
Federal & Other	\$692,230							
Total	\$1,563,929							
<b>GRANTS</b>								
State	\$24,236,425	71.5%	\$1,587,486	\$1,302,972	58.6%	\$22,933,453	\$ 22,933,453	Operating
Federal & Other	\$8,438,641			\$343,500				Desktop Support 210,590
Total	\$32,675,066			\$959,472				Travel 35,000
								Supplies and Printing 19,000
								Prof Services 2,500
								Operating Fees 2,500
								Train & Certification 11,000
								Nonstate Travel 6,000
								Dues & Pro Dev 10,000
<b>GRANTS POST SECONDARY</b>								
State	\$707,452	2.1%	\$46,338	\$46,338	2.1%	\$661,114	\$ 661,114	
Federal & Other	\$0							
Total	\$707,452							
<b>ADULT FARM MANAGEMENT</b>								
State	\$699,802	2.1%	\$45,837	\$39,364	1.8%	\$660,438	\$ 660,438	Grants:
Federal & Other	\$0			(2% reduction in rate)				New Area Centers 100,000
Total	\$699,802							Emerging Technology 198,500
								Prof. Development 20,000
								Technical Assessment 25,000
<b>WORKFORCE TRAINING</b>								
State	\$3,000,000	8.8%	\$196,500	\$196,500	8.8%	\$2,803,500	\$ 2,803,500	
Federal & Other	\$0							
Total	\$3,000,000							
		Total	\$2,221,764	\$2,221,764				
<b>FUNDS BY SOURCE</b>								
GENERAL FUND	\$33,920,062	77.5%	\$2,221,764	6.55%	100%	\$31,698,298	76.3%	
FEDERAL FUND	\$9,542,913	21.8%				\$9,542,913	23.0%	
SPECIAL FUND	\$286,778	0.7%				\$286,778	0.7%	
<b>TOTAL</b>	<b>\$43,749,753</b>		<b>\$2,221,764</b>	<b>\$2,221,764</b>		<b>\$41,527,989</b>		
		4.05%	\$1,373,763					
		2.50%	\$848,001					

**2015-17 Spending and One-Time Funding**

Anticipate \$45,000 of salaries from position turnover and \$86,344 of onetime funding from Autism Technology Grant will be returned to General fund.  
All other funding will be fully allocated to schools

Governor's 90% Request Guidelines  
Proposed Budget Reductions  
for  
Career and Technical Education

Salaries		\$307,389
1 FTE & Transition Adjustments		
Operating Expenses		\$323,340
Travel	56,000	
Professional Development	30,000	
Professional Services	30,000	
Printing, Paper, Supplies	20,000	
Office Supplies	32,000	
Training & Certification	20,000	
Phone	5,000	
ITD – desktop	130,340	
Grants to Schools		\$2,459,210
Secondary Grants	2,117,710	
STEM, Matching and Infusion Grants	35,000	
Emerging Technology	198,500	
Innovation and Distance Delivery Grants	27,000	
Technical Assessments	25,000	
Elementary Entrepreneurship	30,000	
Teacher Professional Development	20,000	
PT Adult	6,000	
Adult Farm Management		\$70,745
Postsecondary Grants		\$69,980
Workforce Training		\$300,000
Total Budget Reductions		\$3,530,664

**State Board for Career and Technical Education  
2017-2019 Biennium Budget**

**House Appropriations Worksheet**

	2015-2017 Budget	Allotment	Base Budget	Dalrymple Adjustment to Base	Dalrymple Budget	Burgum Adjustment to Base	Burgum Budget	Senate Adjustments to Base	Senate Budget
<b>LINE ITEMS</b>									
Salaries and Wages	5,103,504	(340,000)	4,763,504	121,703	4,885,207	(35,984)	4,849,223	101,303	4,864,807
Operating Expenses	1,563,929	(296,589)	1,267,340	(26,751)	1,240,589		1,240,589	(26,751)	1,240,589
Grants	32,675,066	(1,302,972)	31,240,290 *	(1,174,434)	30,065,856	1,400,000	31,465,856	1,302,566	32,542,856
Postsecondary Grants	707,452	(46,339)	661,113	(74,406)	586,707		586,707	(74,406)	586,707
Adult Farm Management	699,802	(39,364)	660,438	(80,616)	579,822		579,822	(80,616)	579,822
Workforce Training	3,000,000	(196,500)	2,803,500	(203,500)	2,600,000		2,600,000	(203,500)	2,600,000
<b>Total Line Items</b>	<b>43,749,753</b>	<b>(2,221,764)</b>	<b>41,396,185</b>	<b>(1,438,004)</b>	<b>39,958,181</b>	<b>1,364,016</b>	<b>41,322,197</b>	<b>1,018,596</b>	<b>42,414,781</b>
<b>FUNDING SOURCE</b>									
General Fund	33,920,062	2,221,764	31,698,298	(1,356,782)	30,341,516	1,364,016	31,705,532	(1,377,183)	30,321,115
Federal Funds	9,542,913	-	9,542,913	(81,222)	9,461,691	-	9,461,691	(81,221)	9,461,691
Special Funds	286,778	-	154,974 *	-	154,974	-	154,974	2,477,000	2,631,974
<b>Total Funding Source</b>	<b>43,749,753</b>	<b>2,221,764</b>	<b>41,396,185</b>	<b>(1,438,004)</b>	<b>39,958,181</b>	<b>1,364,016</b>	<b>41,322,197</b>	<b>1,018,596</b>	<b>42,414,781</b>
<b>FTE</b>	<b>26.5</b>		<b>(1.0)</b>		<b>(1.0)</b>		<b>(1.0)</b>	<b>(1.0)</b>	<b>25.5</b>

\* One-time funds of \$131,804 removed



Mr. Chairman and members of the committee

Good morning, my name is Alfred Schwalbe from Beulah, ND. I grew up on an angus beef cattle ranch just south of Beulah and attending North Dakota State University studying agricultural education. Today I come to you wearing this blue jacket, serving as the President of the North Dakota FFA and to share with you the impact Career and Technical Education has had on me and the thousands of other students across this great state.

Back when I was a young lad I told my Grandma that I was going to be a school principal. But like every child I changed my mind many times and jumped from a principal to an archeologist then to a band teacher, electrician, rancher, radiological oncologist, back to rancher, physical therapist and I finally found my place being an agriculture teacher. It wasn't until I enrolled in my first agricultural education course that my future career plans became clear. CTE does this for young people. Its courses like agriculture, business, marketing, welding, health sciences, and the CTE class list goes on and on where students have experiences that stimulate interest and help guide them to a career path. North Dakota needs more workers that are highly skilled and think innovatively. CTE classes facilitate this and will help provide the next generation of entrepreneurs, employees and leaders for North Dakota businesses.

I want to have a career that helps foster the interest of the next generation of ranchers like my grandparents, coal miners like my parents, electricians, welders, carpenters, biologists, salesman and future leaders.

Nearly a year ago, four other students and I started preparing for my final season of the Agricultural Sales Career Development Event. Career and Technical Student Organizations such as FFA provide competitive events that test a student's knowledge in particular skill areas. To expand, the agricultural sales CDE has students take an exam on sales practices, complete a marketing plan for a product as a team, and also sell an agricultural related product to judges. Sounds manageable. But North Dakota is one of the most competitive states for this CDE at the national level. In fact, in 2016 the team from Napoleon FFA was crowned national champions. So the competition is super tough.

Though Beulah was not an incredibly strong competitor, it was my goal to change that. After months of early mornings and late night practices it was time for our state event.

That was one stressful day. In the morning, I hounded the team to review their product and their notes as much as they could. In the afternoon, we walked in for our marketing event. And at 3 PM, we all sat nervously together awaiting results. I remember that pain in my stomach from anticipation. Finally, the results were in.

As bronze and silver teams were called, we crossed our fingers that Beulah would be saved for gold. As the gold teams were about to be introduced, we all knew they would be five top teams and we prayed to be one of them. Mr. Chairman, Beulah's Ag. Sales team walked away fourth and with a gold rosette in our hand.

I tell this story so you all may know when I realized that Agricultural Education was for me. Mr. Aichele and I spent three years to reach our goal to be the first team from Beulah to earn that gold award. Three years of early morning practices, late night studying, and Saturdays full of competition across the state. Three years of engraving professionalism and sales techniques into the team. Mr. Aichele coached students for thirty years in tons of CDEs and was giving ordinary high school students the skills needed to be extraordinary outside of the classroom. He made it blatantly clear how important these organizations were to forming students into successful leaders of the future.

I realized that the best way I could serve this world was to give young people the tools to be successful in their careers. I chose Ag. Ed. because I could do just that.

CTE is guiding students to career choices! Not the core classes like math, english, and social studies. Education that puts learning into action is what is going to make North Dakota successful. Career and Technical Education is where students find their niche in the world. I'm not a unique story but there are thousands of other students in every high school in the state that are in career and technical education classes working with their CTE teacher and finding success. They spend the late nights, early mornings and the countless hours outside of the classroom making a difference. If it wasn't for the funding, support and leadership the Department of Career and Technical Education provides. These experiences might not be as widely available to all students in the state.

For that reason Senate Bill 2019 needs to be a top priority in North Dakota. Mr. Chairman, on behalf of 4,800 members that wear this blue corduroy jacket, and thousands of other students involved in all Career and Technical Student Organizations I urge you and the Appropriations committee to support the Career and Technology Education department with funds to effectively assist North Dakota students for life beyond high school.

att 3: 3-3-2017  
SB 2019

3/2/2017

**GENERAL** **GENERAL**  
EQUIPMENT & SUPPLIES, INC. ASSOCIATE EQUIPMENT SALES

ND House Appropriations Committee  
Presentation – SB 2019

March 3<sup>rd</sup>, 2017  
Donald Shilling - Chairman  
General Equipment & Supplies, Inc.  
Fargo, Bismarck, Minot and Williston ND

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**GENERAL** **GENERAL**  
EQUIPMENT & SUPPLIES, INC. ASSOCIATE EQUIPMENT SALES

Meet Grant  
This is Why CTE is Working



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**GENERAL** **GENERAL**  
EQUIPMENT & SUPPLIES, INC. ASSOCIATE EQUIPMENT SALES

**Shortages** in the Construction Equipment Industry

- Beginning in 1980's our industry could see the potential for Diesel Technician shortages
- Economy was still robust
- Educational system focused on four year post secondary educational degrees
- Our Industry was not considered attractive – hard work
- Computer Age – the industry of choice
- Shortcoming in our educational system in funding and promoting programs that were industrial in nature

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**GENERAL** EQUIPMENT & SUPPLIES, INC. **GENERAL** HEAVY-DUTY EQUIPMENT SALES

Today the **Solution** Is Industry and Education Partnerships

- Industry is Partnering with CTE
- Industry has become more proactive in the recruiting process – We have FT Recruiter as do others
- CTE has engaged industry on many levels
- Education and Industry are seeking one another's input – (WF School Board Meeting – Discuss Work Force)
- General public awareness of the shortages in skilled technical work force has improved

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**GENERAL** EQUIPMENT & SUPPLIES, INC. **GENERAL** HEAVY-DUTY EQUIPMENT SALES

Today Our **Partners** Include:

- ND Career and Technical Education
- North Dakota State College of Science
- Associated Equipment Distributors – State and National
- Other Dealers who are engaged in recruiting
- All CTE related programs and instructors – ie FFA, SkillsUSA, DECA, Future Business Leaders

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**GENERAL** EQUIPMENT & SUPPLIES, INC. **GENERAL** HEAVY-DUTY EQUIPMENT SALES

Our Partner Program **Successes**

- About 60% of the current NDSCS Diesel Students have an industry sponsor
- We recruit students to the NDSCS / Komatsu Diesel Program (our goal is to graduate 6 -8 annually)
- At 6 to 8 Graduates per year that fills our companies potential ND needs (but not outside ND)
- With Komatsu and other Komatsu dealers in the region we jointly fund and promote the Komatsu Program at NDSCS (the most successful Komatsu Program in US)
- These students are top of the line – great talent

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**GENERAL** EQUIPMENT & SUPPLIES, INC. **GENERAL** ASSOCIATE EQUIPMENT SALES

### What We Can **Accomplish**

This Two Year Program Provides:

- Two year Associate Degree in Diesel Tech
- Provides Tuition Reimbursement (imagine no debt 3 years after graduation?)
- Sponsored students are provided jobs during school and following graduation
- Provides a fast track to career advancement
- Mentorships through foreman and other employees
- Networking – they build relationships with students from other dealerships

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**GENERAL** EQUIPMENT & SUPPLIES, INC. **GENERAL** ASSOCIATE EQUIPMENT SALES

### What are **Barriers**?

- State Funded Schools with programs "at risk" budgeting
- Local School cooperation – Let us "in" to talk about careers in this industry
- Access to High School Grads and their parents
- Guidance Counselors are beginning to know us but need more opportunities to see the potentials
- The expenses in doing this "on our own" – this is costly
- School budgeting based student count verse real costs of technical education programs and program value
- Public Awareness

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**GENERAL** EQUIPMENT & SUPPLIES, INC. **GENERAL** ASSOCIATE EQUIPMENT SALES

### How to **Continue the Success**

- Consistent Funding for the programs that are working
- Any educational assistance to students should be "income tax free" to those students
- Tax incentives for businesses involved in this type of career or work force development
- Federal and State dollars to school districts should be tied to their ability to prove they are collaborating with industry and career development
- Do not divert educational dollars to duplicate programs
- Aggressively pursue other partnerships in like industries

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**GENERAL** EQUIPMENT & SUPPLIES, INC.     **GENERAL** ASSOCIATES EQUIPMENT SALES

Our Governor Is Challenging us to “think outside the box” or face budget cuts

- We (education and industry) are engaged and moving forward
- We are filling gaps in state wide employment
- With potential new technology and machine controls our needs are increasing
- Our future, our growth is dependent on these programs
- Unless students are exposed to these programs they will never be interested

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**GENERAL** EQUIPMENT & SUPPLIES, INC.     **GENERAL** ASSOCIATES EQUIPMENT SALES

Thank you

Donald Shilling  
[dshilling@genequip.com](mailto:dshilling@genequip.com)  
701 364 2210

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3-3-17 AHN:4  
SB 2019



PO Box 2599 • Bismarck, ND 58502  
Phone: 701.355.4458 • Fax: 701.223.4645  
office@itcnd.org • www.itcnd.org

**Testimony of Deana Wiese**  
Executive Director  
**In Support of SB 2019**  
March 3, 2017

Chairman Monson and members of the committee:

My name is Deana Wiese, and I am the executive director of the Information Technology Council of North Dakota (ITCND). I am here today to voice support of SB 2019.

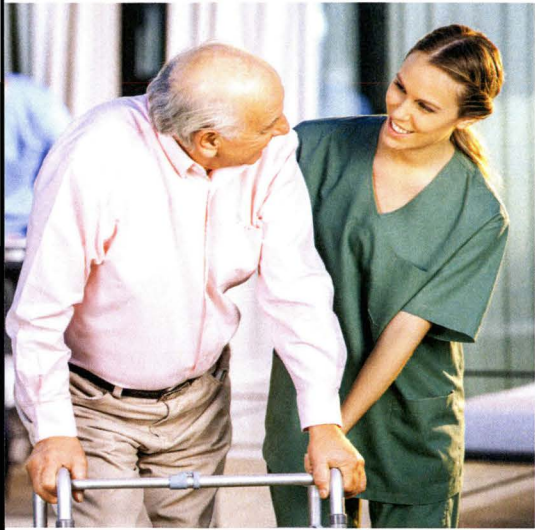
ITCND was created in 2000 by North Dakota business, government and education leaders who recognized the need to strengthen the state's information technology infrastructure and reposition the state as a national leader in IT. ITCND has nearly 80 member organizations, with representatives from both the public and private sector.

North Dakota's technology industry is expanding rapidly. Recent Job Service North Dakota data shows that North Dakota has seen an increase of more than 30 percent in technology occupations over the past decade and is projecting a 20 percent increase for the next decade. Job growth in North Dakota's technology industry has more than doubled that of the nation. A shortage of skilled workforce is a limiting factor for technology-based industry growth. Therefore, the development of a high-quality workforce is vital to the future growth of North Dakota's technology industry. The Department of Career and Technical Education (CTE) has been a strong partner in assisting the technology industry in meeting these needs.

We support this bill as many of its components will strengthen secondary technology education opportunities for North Dakota students and provide training for technology instructors, thus helping our members secure a workforce in the future. Since the launch of ITCND's IT Career Awareness Program in 2009, CTE has been a strong partner in promoting careers to students and educators through the program. ITCND and CTE have worked together to reach tens of thousands of students in dozens of communities statewide with technology education and career information.

We thank you for your support of technology education opportunities in the past and urge your support of SB 2019.

AH 5 SB 2019 3.3.17



## TrainND's 2017-2019 LEGISLATIVE REQUEST

### SUSTAINABILITY

In 1999, the North Dakota Legislature wisely established a training infrastructure to strengthen North Dakota's business climate. The comprehensive, customized employee training that resulted is vital to the health of North Dakota's economy. Well-trained employees are more satisfied in their work and workplaces are more productive. We know that the companies served by TrainND are highly satisfied.

Consistent funding since 2007 has made it possible for TrainND to provide our client's customized training solutions resulting in a positive impact to their business strategy, and their talent pool. With the continued investment, the TrainND system can continue to provide training that business and industry need in order to compete locally, regionally and globally.

**STATEWIDE** satisfaction ratings for training is consistently higher than **96% SATISFACTION RATE.**

Some regions have attained **99-100%** ratings over the past decade.

### OUR REQUEST FOR 2017-2019

Operating – \$2.6 Million

#### TrainND FUNDING HISTORY

BIENNIUM	FUNDING	OPERATIONS	EQUIPMENT
2009-11	\$3 million	\$3 million	\$0
2011-13	\$3 million	\$3 million	\$0
2013-15	\$4 million	\$3 million	\$1 million
2015-17	\$3 million	\$3 million	\$0

[It's a competitive world. Train for it.]



TrainND is the state's most comprehensive and inclusive training network, strengthening and expanding business in North Dakota since 1999.

trainND

[It's a competitive world. Train for it.]

Powered by:





## FOUNDATION

The workforce training system resulted from a 31-member statewide task force on workforce development and training, formed in 1998 to research "best practices" in other states and to design a more effective workforce training system in North Dakota. This initiative was coordinated by the Greater North Dakota Chamber and resulted in a proposal for the North Dakota University System and the state legislature. These recommendations were enacted into legislation during the 1999 session. The primary purpose of House Bill 1443 (1999) was to develop a world-class workforce training system in North Dakota.

## WORLD CLASS TRAINING FOR WORLD CLASS WORKFORCE

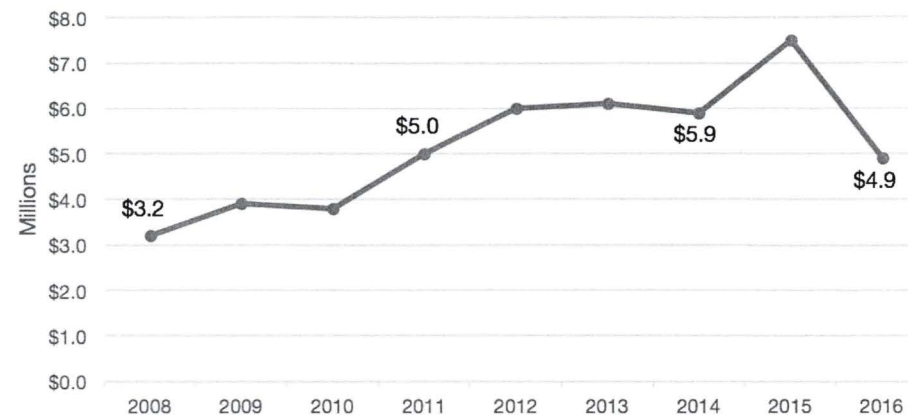
TrainND expands opportunities in North Dakota by training employees to achieve more for themselves and their employers. Four regions cooperate with four community colleges to ensure coverage for all of North Dakota's current workforce needs.

Managers, IT professionals, welders, lineworkers, drivers, frontline office staff, all types of workers benefit from TrainND's comprehensive, customized employee training. TrainND ensures North Dakota businesses maintain a well-trained workforce and stay viable and competitive locally and as part of a global economy.



## TrainND DELIVERS

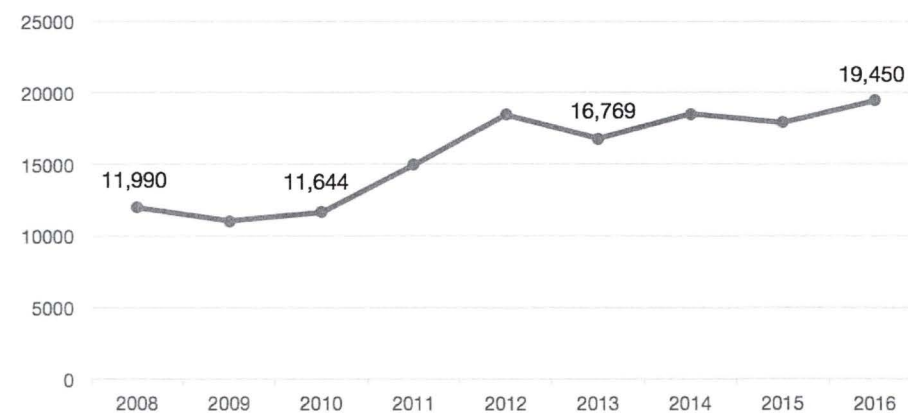
### REVENUE GENERATED



As the oil revenues have dropped in the past few years, so has the need for manufacturing training that provided products to the oil industry. Those delivered trainings were statewide and effected all regions, as the oil industry depended on manufacturing companies across the state of North Dakota. Also, as the Agricultural Industry markets have dropped, that has lowered training revenues as well in the manufacturing sector that we serve.

Although Revenue for FY16 was down, the number of employees trained was higher, which reflects a need for different skills due to the downturn.

### EMPLOYEES TRAINED



## TESTIMONIALS

"Southwest TrainND has been an invaluable part of our facility being able to build a team of highly skilled, competent and compassionate certified nursing assistants who can meet the increasingly difficult demand of caring for both elderly and medically complex residents. Our facility is currently a clinical site for the BSC/TrainND Certified Nursing Assistant program. We have appreciated being able to work directly with the students and faculty in creating a positive, hands-on experience that enables the students to be confident in the skills they will need to provide high quality care to the residents not just at our facility, but throughout the region."

*Michelle Fiedler – RN Southwest TrainND Board Member, Assistant Director of Nursing Baptist Health Care Center, Bismarck, N.D.*

"Harris Machine Company of Oakes, N.D. would like to show our appreciation and support for TrainND and TrainND Southeast. Our company experienced an extensive product recall due to weld quality issues. Karla did an excellent job of making us aware of the available services and Jerod provided outstanding training to our employees. The TrainND program services and resources were invaluable in the containment and mitigation of a problem that had the potential to create extensive damage to our company."

*Jay Harris – President, Harris Machine Company, Oakes, N.D.*

"Another great training by TrainND. We look forward to working with you again in the future! The training provided is extremely valuable to our workforce and all of our employees enjoy it."

*Jeff Jacobson – Director, Lake Region Corporation, Devils Lake, N.D.*

"It is always great working with the TrainND staff. You know everything will be taken care of and training will be properly done. Great group of people."

*Brian Senger – Human Resource Manager, Eventide Heartland, Devils Lake, N.D.*

"TrainND has always implemented the suggested additions, deletions, and/or revisions to a specific training program."

*K. Larson – Oasis Petroleum*

"We requested an abbreviated training of classes that were generally three days to a week and had them pared down to four hours, that is no small task and yet we felt we received excellent training and everyone was able to get their hands on training."

*D. Hvinden – NDIC*



Over the course of the last several years North Dakota has experienced an economic downturn and budget cuts which made it necessary for business to adjust their talent management strategies, making the role of TrainND critical to the company's employee professional development strategy. As North Dakota's labor force is becoming increasingly diverse, our talent management strategies must be integrated in order to strategically plan for today and in the future. A vital role that TrainND will continue to assist companies in addressing.



3-3-17

AH. 6

SB 2019

# Cavalier County

Job Development Authority

901 3rd Street Suite 5 ∞ Langdon, ND 58249 ∞ Phone: 701-256-3475 ∞ Fax: 701-256-3536 ∞ E-mail: shannon@utma.com

February 24, 2017

House Appropriations Committee  
Representative David Monson, Chairman  
600 East Boulevard  
Bismarck, ND 58505 – 0360

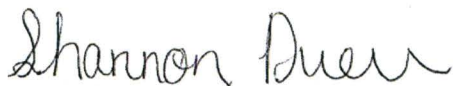
Dear Chairman Monson and House Appropriation Committee Members:

Thank you for taking the time to read this letter. I would like to express my support for TrainND. We have used the services of TrainND several times over the past few years and our entire community has gained great value from those services.

Let me provide you an example. Our local ambulance service is extremely short of volunteers. There are currently less than 10 individuals who take call on a consistent basis. When you consider 2 people have to be on call at all times, 24 hours a day 365 days a year, the amount of call gets to be a burden. If a community ends up in a situation where they do not have enough EMTs, they run the risk of losing their ambulance service. CCJDA did some research to determine the cause for the shortage and we found that the training to be an EMT is extensive and expensive and in the past has been offered out of town which added the additional burden of having to drive to receive the training.

Although having never offered this extensive of a course in the past, TrainND worked with us to design a training that could be offered in town at a reasonable cost. I am happy to report that we currently have 12 individuals taking the training to become EMTs, which I am told is the largest number of volunteers Langdon has ever had trained in one course. The impact the addition of 12 fresh volunteers will have on our local ambulance squad is tremendous and it will go a long way toward insuring the suitability of ambulance service in Cavalier County. This would not have happened without the services of TrainND.

Thank you,



Shannon Duerr  
CCCJDA Executive Director



**Doosan Bobcat**  
250 East Beaton Dr.  
West Fargo, ND 58078

Chairman Monson and members of the committee. For the record my name is Reeve Southam, and I am the Director of Talent Management and Training for Bobcat Company.

Bobcat Company manufactures compact construction equipment and utility vehicles, and is one of North Dakota's largest equipment exporters. In order to maintain leadership in an increasingly competitive global marketplace, Bobcat has consistently invested in new manufacturing technologies. Almost all processes in the company's factories involve modern high-tech tools and devices including robotic automation, computer controlled machine tools, and advanced measuring tools. The efficient use of these technologies is critical to repeatedly producing quality components with multiple critical dimensions. Historically TrainND has played a critical role in successfully training Bobcat employees.

TrainND has been instrumental in getting our tenured workforce introduced to new technology and training them on these tools. This includes specific efforts with regards CNC machining, Weld Quality and blueprint reading. The results of these trainings have greatly impacted the quality of our products and have allowed us to continue to be competitive in the global marketplace.

In addition to technical types of training we have also leveraged TrainND in providing soft skills training to our frontline leaders. These trainings have enabled them to manage large teams of employees in a dynamic high stress working environment. Specific training areas have included communication, coaching and counseling skills, dealing with conflict and repairing relationships.

Working with TrainND to fulfill these needs has allowed for quick access to resources, at a reasonable cost and with staff and instructors who know our business, employees and culture. Going elsewhere for these services requires additional time to source the training and is generally at a greater expense.

TrainND's experienced trainers know our people and our plants, and are willing to be flexible to accommodate differing shifts, various locations fluctuating schedules. And, as some of our staff have said, if TrainND didn't do this, who would? TrainND is a true asset to Bobcat.

Our relationship with TrainND and the utilization of the services they provide are extremely important and we look forward to a continued partnership.



**Doosan Bobcat**  
250 East Beaton Dr.  
West Fargo, ND 58078

To Whom it May Concern:

I have been asked to write this letter on behalf of TrainND at the request of Joe Schreiner, TrainND Director – Division of Workforce Affairs.

Bobcat Company manufactures compact construction equipment and utility vehicles, and is one of North Dakota's largest equipment exporters. In order to maintain leadership in an increasingly competitive global marketplace, Bobcat has consistently invested in new manufacturing technologies. Almost all processes in the company's factories involve modern high-tech tools and devices including robotic automation, computer controlled machine tools, and advanced measuring tools. The efficient use of these technologies is critical to repeatedly producing quality components with multiple critical dimensions. Historically TrainND has played a critical role in successfully training Bobcat employees.

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Our relationship with TrainND and the utilization of the services they provide are extremely important and we look forward to a continued partnership.

Regards,

Ellie Nickel  
HR Manager



February 27, 2017

Chairman David Monson  
House Appropriations

Re: Support for Train ND

Dear Senator Holmberg,

Steffes LLC writes in support of continued funding for TrainND throughout North Dakota. Steffes LLC designs, manufactures and markets sustainable, high value-added, innovative manufactured solutions. We are headquartered in Dickinson, have two additional manufacturing plants in Grand Forks, and employ almost 300 people in the state.

TrainND provides organizational and employee training which would not otherwise occur and allows businesses to develop internal talent and organizational capabilities for hard to find & critical skills. They provide training solutions geared towards the organization's needs, bring training to local communities.

The funding that we have received from TrainND has been an important aspect in growing our business in Dickinson and Grand Forks as we meet the demands of changes in the manufacturing environment.

As the needs of manufacturing change in the upcoming years with turnover in the workforce and technology changes, funding and training support for employee and organizational training are critical to continue to developing and retaining talent necessary to grow businesses in North Dakota.

We urge this committee to continue funding TrainND across North Dakota.

Sincerely,

A handwritten signature in blue ink that reads 'Uma B. Hoffmann'. The signature is written in a cursive style with a large initial 'U'.

Uma B. Hoffmann

Human Resources Manager and President of the TrainND Southwest Advisory Board

Att 9. 3.3.17 SB 2019



March 2016

**SB 2019  
House Appropriations—Education and Environment Division**

Chairman and Members of the Committee:

My name is Kayla Pulvermacher, and I'm here representing the North Dakota Farmers Union. While we support SB 2019, I'm here to present a concern we have with regards to Adult Farm Management Education. While we understand the current status of the state's budget, the program's budget has been dramatically decreased and important programs that farmers utilize are in danger of being eliminated.

The Adult Farm Management program serves many purposes; they act as a resource for producers who need advice on how to make their operation cashflow, help organize producer's records so that they can be more profitable, and the department collects priceless data on state agriculture. North Dakota agriculture is the backbone of our state's economy, and when farmers and ranchers succeed so does our state.

Our hope is the committee will look at the reductions to this program and adjust where possible.

Thank you for the opportunity to testify. I can take any questions you may have.



**March 3, 2017**

**The Honorable Representative David Monson  
Appropriations Committee – Education and Environment Division  
Re: Support for Senate Bill 2019**

Chairman Monson and members of the committee:

My name is Brent Bogar and I am representing the Greater North Dakota Chamber. The GNDC works on behalf of all our members to support building a strong, vibrant business climate in North Dakota.

The CTE program is one that the GNDC strongly supports. The mission and of CTE is “to provide citizens of North Dakota with the technical skills, knowledge and attitudes necessary for successful performance in a globally competitive workplace.” This goal is about helping to educate and train people so that they can find not just a job, but a career in North Dakota as we continue to look to expand and diversify the state’s economy.

As the state chamber, we believe that CTE helps to build up the quality workforce necessary to move North Dakota forward. It was noted by the National Academy of Science when they visited Fargo a few years ago that 85% of the open jobs in North Dakota required a 2 year technical degree or less. Our goal as an organization is to represent our member’s interests, and to that end supporting programs like CTE that will provide them with qualified employees. Not only does this support the business community, but also the entire state by having a more skilled workforce that allows for more opportunities for growth.

I would again ask for your support and a DO PASS recommendation and stand for any questions that you may have.

Att 11 3-3-2017 SB 2019

2100 15<sup>th</sup> Street N  
Wahpeton, ND 58075  
701-671-6060



December 22, 2016

Members of the 65<sup>th</sup> Legislative Session of North Dakota  
600 E Boulevard Avenue  
Bismarck, ND, 580505

Dear Members of the North Dakota Legislature:

I am writing this letter in support of the TrainND Southeast currently located at the campus of NDSCS, Wahpeton. ComDel Innovation has worked closely with TrainND to provide a variety of training sessions, both technical and professional, that support the mission of continued workforce development in North Dakota. Over the last biennium, ComDel Innovation has benefitted from courses in Geometric Dimensioning and Tolerancing, Advanced MS Excel Training and customized precision machining skill labs provided by TrainND staff.

TrainND is able to provide training that improves the quality of the workforce and enhances our business productivity and competitiveness. These educational programs are critical to helping provide employees with the skills necessary to match the quickly changing requirements of our diverse customers in medical devices, aerospace, commercial and agricultural applications. Having this service located in our community allows ComDel Innovation greater flexibility, while decreasing our travel costs and other associated fees for similar types of training provided elsewhere.

Your continued support for TrainND and other workforce development programming is greatly appreciated. Maintaining these options allow our business and employees, an opportunity to build the future skills that are needed in areas of advanced manufacturing and are strongly encouraged.

Sincerely,

Tiana Bohn  
Corporate Training Coordinator  
ComDel Innovation

Jim Albrecht  
Chief Executive Officer  
ComDel Innovation





att: 12 SB 2019 3-3-2017



2875 Third Street SW  
Underwood, North Dakota 58576  
701-442-3211  
greatriverenergy.com

**To:** David Monson, Chairman House Appropriations Committee  
**From:** TrainND Southwest Advisory Board Member, Reese Boehm  
**Date:** 2-23-17  
**Re:** TrainND Letter of Support

Dear Mr. David Monson,

The purpose of this memorandum is to communicate the importance of TrainND, in support for continued state funding. TrainND is the North Dakota's most comprehensive training network which provides training for North Dakota business and industry, enhancing their ability to compete globally.

I have had the honor of serving the TrainND Southwest Board since early 2014. It has truly been a pleasure interacting with the knowledgeable and professional Bismarck State College staff. Some statistics, specific to the TrainND SW 2015-2016 fiscal year, are as follows:

- Served 246 businesses with a goal of 225
- 96% of the business/industry served were satisfied with the training received

Great River Energy, for whom I am currently employed, consistently utilizes TrainND's Mobile Welding Unit to certify their in-house maintenance welders. The state of the art mobile welding trailer is managed by competent TrainND administration. The welding training is conducted by subject matter expert instructors whom produce proven, quality results reflective in our employees' abilities.

Personally, I have taken four courses within the Professional Development Continuing Education Training program. The subject material is current and relevant with the instructors being competent and accomplished.

In conclusion Mr. David Monson, TrainND provides a value added benefit to our great state and bolsters our work force's knowledge, skills, and abilities. TrainND positions the ND workforce competitively in their respective markets and I encourage you to continue to support TrainND with the requested state funding.

Kind Regards,

TrainND Southwest Advisory Board Member,

Reese Boehm

A handwritten signature in blue ink that reads 'Reese Boehm'.

att 13 SB 2019 3-3-2017



620 14th Avenue NE Devils Lake, ND 58301  
(701) 662-4905 | Fax: (701) 662-9170 | eventide.org

February 24, 2017

House Appropriations Committee  
Representative David Monson, Chairman  
600 East Boulevard  
Bismarck, ND 58505 – 0360

Dear Chairman Monson and House Appropriation Committee Members:

As administrator of Eventide Heartland Care Center in Devils Lake, I am writing in support of TrainND NE. I have had the opportunity to work with TrainND NE for several years, including serving as an Advisory Board Member.

As a long-term care administrator, TrainND has proved to be a valuable resource to our industry. In an industry with ever changing staffing needs, we have found them to be an excellent partner in that they are flexible to design and instruct classes according to our needs. We have partnered with them for staff engagement sessions, they provide all of our classroom and onsite clinical instruction for the Certified Nurse Assistant (CNA) program, Certified Medication Aide (CMA) program and IV certification for our Licensed Practical Nurses.

As you can see, the serviced provided to us are numerous and assist us with meeting the staffing needs of our care center. Without the services of TrainND, we would find it difficult to tailor programs for our staff and provide them ourselves, when needed.

Thank you for allowing me to offer this letter of support for TrainND NE. I may be reached at (701)665-1400 if you desire further information regarding our tremendous work relationship with TrainND.

Sincerely,

Karissa Olson  
Administrato

att 14 3-3-2017 JB 2019



February 24, 2017

House Appropriations Committee  
Representative David Monson, Chairman  
600 East Boulevard Avenue  
Bismarck, ND 58505-0360

RE: TRAIN ND LETTER OF SUPPORT

Dear Chairman Monson and House Appropriation Committee Members:

We write in support of Train ND Northeast and the programs they offer to our rural businesses and communities. The Pembina County Job Development Authority (JDA) and Walsh County Job Development Authority (JDA) have co-sponsored Train ND classes for the past three years and the Pembina County JDA was the sole sponsor for several years prior. We partnered with Train ND again in 2016 to offer several valuable training courses to the businesses in the communities we serve.

We expect to strengthen our already valuable partnership with Train ND in 2017 by working with them to offer classes to our manufacturing businesses. Manufacturing is the number one employer in Pembina County and there are over 1,200 manufacturing jobs between Pembina and Walsh Counties. Recent business retention and expansion program visits revealed a large number of manufacturers are seeking training opportunities for both management and employees and we are confident that Train ND can put together a strong list of beneficial courses for the coming year.

We appreciate your continued support of Train ND Northeast.

Sincerely,

A handwritten signature in cursive script that reads "Maggie Suda".

Maggie Suda, Developer  
Pembina County JDA

A handwritten signature in cursive script that reads "Julie Campbell".

Julie Campbell, Director  
Walsh County JDA

att 15

3-3-2017

2019

388 Division Street  
Pembina, ND 58271



**U.S. Customs and  
Border Protection**

Eric J. Kuhn  
Patrol Agent in Charge  
U.S. Border Patrol  
388 Division St  
Pembina, ND 58220  
February 27, 2017

House Appropriations Committee  
Representative David Monson, Chairman  
600 East Boulevard  
Bismarck, ND 58505 – 0360

Dear Chairman Monson and House Appropriation Committee Members:

The Grand Forks Sector of the United States Border Patrol (USBP), responsible for operations in the states of North Dakota and Minnesota, writes in support of TrainND Northeast. The USBP is the mobile, uniformed law enforcement arm of U.S. Customs and Border Protection within the Department of Homeland Security responsible for securing U.S. borders between ports of entry.

In pursuit of leadership excellence the U.S. Customs and Border Protection (CBP), the parent agency of the USBP, requires that all organization leaders participate in a minimum of 16 hours of leadership training annually. In the rural, sparsely populated areas that make up the majority of the Grand Forks Sector these training opportunities are hard to find and often times extremely expensive when available. Fortunately, TrainND Northeast located at Lake Region State College was able to fill the void and deliver 16 hours of high quality leadership training at a reasonable cost.

During Fiscal Year 2016, area USBP leaders were having difficulty acquiring their required leadership training and through word of mouth TrainND Northeast heard of our predicament and contacted us with a two-day class with an excellent curriculum. What made the training truly outstanding was the instructor, Captain Kyle Ternes of the North Dakota Highway Patrol. Not only did he bring a wealth of knowledge on leadership to the table but he could communicate it effectively to an audience of mostly law enforcement leaders, which would have been difficult for someone from outside the law enforcement community. This combination of curriculum and instructors makes TrainND Northeast an invaluable resource for the residents of this region.

Not only did TrainND have the curriculum and instructor but they were also able to fill some of the seats with members of the community from private industry, education, and local government. This made for a good mix and the ability to discuss leadership in various environments. TrainND placing members of the community into the class helped to break down many of the barriers that can exist between citizens and law enforcement. This training helped to create connections and networks that will benefit all of the participating agencies in the future.

Overall, the USBP was extremely impressed with the training delivered as well as the professionalism, dedication, and hard work of all the staff at TrainND. It also allowed us to identify areas and training assets that we could offer to the Lake Region State College (POST Academy) and the North Dakota Highway Patrol.

In these times of competing priorities and constrained budgets it is important that organizations, such as TrainND Northeast, not be overlooked. The types of valuable downstream benefits that TrainND Northeast provides to the state should not be forgotten during your deliberations.

Thank you for taking our support for TrainND into consideration.

Sincerely,



Eric J. Kuhn

cc: Appropriations Committee Members

SP 2019

3-3-2017

att 16



## City of Grand Forks

Daryl Hovland  
Director

Human Resources Department  
255 North Fourth Street - P. O. Box 5200 - Grand Forks, ND 58206-5200  
An Equal Opportunity Employer

(701) 746-2665  
Fax # (701) 787-3767

December 19, 2016

North Dakota Legislature  
600 E Boulevard  
Bismarck, ND 58505-0360

Dear Representatives:

It is a pleasure to write in support of TrainND. During the past five years, the Human Resource department at the City of Grand Forks has collaborated with TrainND to complete our annual Leadership Academy. TrainND offers high quality training services that meet the needs of our diverse workforce. The City of Grand Forks has utilized TrainND for computer program, communication, and team building training sessions. We have always been thrilled by their work and ability to customize their trainings to meet our employee development needs.

The TrainND staff members are always very helpful and respectful. They take the initiative to plan and carry out successful sessions so that there are never any unpleasant surprises. They are also up to date on the latest trends and needs of our workforce area and take a proactive approach to everything that they do. This has added a vast amount of value to the City of Grand Forks. If you would like further elaboration, feel free to call me at 701-746-2667.

Sincerely,

Daryl Hovland  
Human Resource Director

**Career and Technical Education - Budget No. 270**  
**Senate Bill No. 2019**  
**Base Level Funding Changes**

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version				House Version				House Changes to Senate Version Increase (Decrease) - Senate Version			
	FTE	General	Other	Total	FTE	General	Other	Total	FTE	General	Other	Total	FTE	General	Other	Total
	Position	Fund	Funds		Position	Fund	Funds		Position	Fund	Funds		Positions	Fund	Funds	
<b>2017-19 Biennium Base Level</b>	26.50	\$31,698,298	\$9,697,887	\$41,396,185	26.50	\$31,698,298	\$9,697,887	\$41,396,185	26.50	\$31,698,298	\$9,697,887	\$41,396,185	0.00	\$0	\$0	\$0
<b>2017-19 Ongoing Funding Changes</b>																
Base payroll changes		(\$54,785)	(\$81,221)	(\$136,006)		(\$54,785)	(\$81,221)	(\$136,006)		(\$54,785)	(\$81,221)	(\$136,006)				\$0
Salary increase - Performance				0				0		(4,977)		(4,977)		(4,977)		(4,977)
Health insurance increase		68,691		68,691		68,691		68,691		68,691		68,691				0
Employee portion of health insurance		<b>(35,984)</b>		<b>(35,984)</b>				0				0				0
Reduce 1 FTE position	(1.00)			0	(1.00)			0	(1.00)			0				0
Adjust salaries and wages		168,618		168,618		168,618		168,618		168,618		168,618				0
Adjusts operating expenses		(26,751)		(26,751)		(26,751)		(26,751)		(26,751)		(26,751)				0
Adjusts postsecondary grants		(74,406)		(74,406)		(74,406)		(74,406)		(74,406)		(74,406)				0
Adjusts adult farm management grants		(80,616)		(80,616)		(80,616)		(80,616)		(80,616)		(80,616)				0
Adjusts workforce training grants		(203,500)		(203,500)		(203,500)		(203,500)		(203,500)		(203,500)				0
Adjusts other state-funded grants		(1,174,434)		(1,174,434)		(1,174,434)		(1,174,434)		(1,174,434)		(1,174,434)				0
Adds funding for grants for state aid		<b>1,400,000</b>		<b>1,400,000</b>				0				0				0
Total ongoing funding changes	(1.00)	(\$13,167)	(\$81,221)	(\$94,388)	(1.00)	(\$1,377,183)	(\$81,221)	(\$1,458,404)	(1.00)	(\$1,382,160)	(\$81,221)	(\$1,463,381)	0.00	(\$4,977)	\$0	(\$4,977)
<b>One-time funding items</b>				\$0				\$2,477,000				\$2,477,000				\$0
Adds funding for school district and area center grants				\$0				\$2,477,000				\$2,477,000				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$2,477,000	\$2,477,000	0.00	\$0	\$2,477,000	\$2,477,000	0.00	\$0	\$0	\$0
<b>Total Changes to Base Level Funding</b>	(1.00)	(\$13,167)	(\$81,221)	(\$94,388)	(1.00)	(\$1,377,183)	\$2,395,779	\$1,018,596	(1.00)	(\$1,382,160)	\$2,395,779	\$1,013,619	0.00	(\$4,977)	\$0	(\$4,977)
<b>2017-19 Total Funding</b>	25.50	\$31,685,131	\$9,616,666	\$41,301,797	25.50	\$30,321,115	\$12,093,666	\$42,414,781	25.50	\$30,316,138	\$12,093,666	\$42,409,804	0.00	(\$4,977)	\$0	(\$4,977)

**Other Sections in Career and Technical Education - Budget No. 270**

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)	Senate Version	House Version
Health insurance increases			Section 2 identifies the funding increase for health insurance premium increases included in the agency's appropriation.
School districts and area centers grants		Section 3 identifies that the appropriation includes \$2,477,000 from the foundation aid stabilization fund to the Department of Career and Technical Education for the purpose of providing grants to school districts and area centers, for the biennium beginning July 1, 2017, and ending June 30, 2019.	Section 4 identifies that the appropriation includes \$2,477,000 from the foundation aid stabilization fund to the Department of Career and Technical Education for the purpose of providing grants to school districts and area centers, for the biennium beginning July 1, 2017, and ending June 30, 2019.

Career and Technical Education - SB 2019

Postsecondary Grants line item

	Original	Budget Reduction
Postsecondary Enhancement – 2-yr campuses	300,000	\$249,000 or 24,900 each year to each campus to enhance new or existing programs
STEM Innovation Grant	200,000	\$166,000 K-12 Exposure to innovative STEM concepts including career planning
STEM Matching Grant	150,000	\$124,500 - \$15,000 STEM grants to K-12 schools with match from industry
Instructor training	57,452	\$47,685 - for Industry professionals into the postsecondary classroom
Total	\$707,452	\$ 586,707



## STEM Innovation and Integration Matching Grants (FY 2016 & 2017)

School District	Contact Person	Industry Partner	Grant Amount	Reimbursed	Students Served	Brief Description
Alexander	Leslie Bieber	QEP Resources	\$12,500	\$10,527	35	Add PLTW Gateway to grades 6, 7 & 8
Grand Forks	Eric Ripley	Northrup Grummann	\$10,000	\$9,240	1537	Expand PLTW Engineering in grades 6 & 7 (4 schools)
Valley City	Dan Larson	John Deere	\$15,000	\$14,570	176	Add PLTW Gateway to grades 7 & 8
Sargent Central	Dan Fawcett Kean Nelson	Dakota Plains	\$1,250			Add Vernier probes to their science curriculum
Wahpeton	Ned Clooten	Cargil, Wil-Rich, Sanford Health	\$ 15,000			Expand PLTW to grades 5-7
Wyndmere	Dan Dalchow	Dakota Plains	\$ 1,038			Add Vernier probes to their science curriculum
Grand Forks	Eirc Ripley	Northrup Grummann	\$ 15,000			Implement PLTW Computer Science into grades 7 & 8
Milnor	Chris Larson	Dakota Plains	\$ 1,250			Add Vernier probes to their science curriculum
Bismarck	Dale Hoerauf	Dakota Carrier Network	\$ 791			Add Sphero robot programming to the Technology & Engineering Education curriculum at Simle Middle School
Jamestown	Adam Gehlhar	Duratech Industries, Newman Signs, MidMach, First Community Credit Union, Argicover, Orn Dentistry	\$ 15,000			Development of standards-based STEM Curriculum and integration of new technologies into STEM Courses
Watford City	Steven Holen	QEP Resources	\$15,000			Expand PLTW to the high school (POE)
Minto	Linda Lutovsky	AE2S, Schanilec Insurance, KodaBank, Minto Cenex, Harvey Ave Soloon, Minto Auto, Samson Electric, Jeremy Lund Computers	\$3,544			Add the Forest River Watershed Sampling project to all the high school science classes
Central Valley	Jeremy Brandt	American Crystal Sugar	\$5,000			Add VEX robotics and 3D printing to the Technology & Engineering Education curriculum
Lisbon	Steve Johnson	Doosan	\$498			Add Sphero robot programming to the Technology & Engineering Education curriculum
<b>TOTALS</b>			<b>\$110,373</b>	<b>\$34,337</b>	<b>1748</b>	

SB 2019

3-27-2017

att 1

**Career and Technical Education - Budget No. 270**  
**Senate Bill No. 2019**  
**Base Level Funding Changes**

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version				House Version				House Changes to Senate Version Increase (Decrease) - Senate Version			
	FTE	General	Other	Total	FTE	General	Other	Total	FTE	General	Other	Total	FTE	General	Other	Total
	Position	Fund	Funds		Position	Fund	Funds		Position	Fund	Funds		Positions	Fund	Funds	
<b>2017-19 Biennium Base Level</b>	26.50	\$31,698,298	\$9,697,887	\$41,396,185	26.50	\$31,698,298	\$9,697,887	\$41,396,185	26.50	\$31,698,298	\$9,697,887	\$41,396,185	0.00	\$0	\$0	\$0
<b>2017-19 Ongoing Funding Changes</b>																
Base payroll changes		(\$54,785)	(\$81,221)	(\$136,006)		(\$54,785)	(\$81,221)	(\$136,006)		(\$54,785)	(\$81,221)	(\$136,006)				\$0
<b>Salary increase - Performance</b>				<b>0</b>				<b>0</b>				<b>0</b>				<b>0</b>
Health insurance increase		68,691		68,691		68,691		68,691		63,921		63,921		(4,770)		(4,770)
Salary increase - Performance				0				0				0				0
Salary increase - Market equity				0				0				0				0
Retirement contribution increase				0				0				0				0
<b>Employee portion of health insurance</b>		<b>(35,984)</b>		<b>(35,984)</b>				<b>0</b>				<b>0</b>				<b>0</b>
Reduces 1 FTE position	(1.00)			0	(1.00)			0	(1.00)			0				0
Adjust salaries and wages		168,618		168,618		168,618		168,618		168,618		168,618				0
Adjusts operating expenses		(26,751)		(26,751)		(26,751)		(26,751)		(26,751)		(26,751)				0
Adjusts postsecondary grants		(74,406)		(74,406)		(74,406)		(74,406)		(74,406)		(74,406)				0
Adjusts adult farm management grants		(80,616)		(80,616)		(80,616)		(80,616)		(30,616)		(30,616)		50,000		50,000
Adjusts workforce training grants		(203,500)		(203,500)		(203,500)		(203,500)		(203,500)		(203,500)				0
Adjusts other state-funded grants		(1,174,434)		(1,174,434)		(1,174,434)		(1,174,434)		(1,174,434)		(1,174,434)				0
<b>Adds funding for grants for state aid</b>		<b>1,400,000</b>		<b>1,400,000</b>				<b>0</b>				<b>0</b>				<b>0</b>
Transfers funding for STEM grants to the grants line item				0				0				0				0
Reduces 1 additional FTE position				0				0	(1.00)	(157,200)		(157,200)	(1.00)	(157,200)		(157,200)
Eliminates funding for Marketplace for Kids				0				0		(250,000)		(250,000)		(250,000)		(250,000)
Total ongoing funding changes	(1.00)	(\$13,167)	(\$81,221)	(\$94,388)	(1.00)	(\$1,377,183)	(\$81,221)	(\$1,458,404)	(2.00)	(\$1,739,153)	(\$81,221)	(\$1,820,374)	(1.00)	(\$361,970)	\$0	(\$361,970)
<b>One-time funding items</b>																
Adds funding for school district and area center grants				\$0			\$2,477,000	\$2,477,000			\$2,427,000	\$2,427,000			(\$50,000)	(\$50,000)
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$2,477,000	\$2,477,000	0.00	\$0	\$2,427,000	\$2,427,000	0.00	\$0	(\$50,000)	(\$50,000)
<b>Total Changes to Base Level Funding</b>	(1.00)	(\$13,167)	(\$81,221)	(\$94,388)	(1.00)	(\$1,377,183)	\$2,395,779	\$1,018,596	(2.00)	(\$1,739,153)	\$2,345,779	\$606,626	(1.00)	(\$361,970)	(\$50,000)	(\$411,970)
<b>2017-19 Total Funding</b>	25.50	\$31,685,131	\$9,616,666	\$41,301,797	25.50	\$30,321,115	\$12,093,666	\$42,414,781	24.50	\$29,959,145	\$12,043,666	\$42,002,811	(1.00)	(\$361,970)	(\$50,000)	(\$411,970)

**Other Sections in Career and Technical Education - Budget No. 270**

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version				House Version								
Health insurance increases																	Section 2 identifies the funding increase for health insurance premium increases included in the agency's appropriation.
School districts and area centers grants							\$2,477,000	\$2,477,000			\$2,427,000	\$2,427,000					Section 3 identifies that the appropriation includes \$2,477,000 from the foundation aid stabilization fund to the Department of Career and Technical Education for the purpose of providing grants to school districts and area centers, for the biennium beginning July 1, 2017, and ending June 30, 2019.
																	Section 4 identifies that the appropriation includes \$2,427,000 from the foundation aid stabilization fund to the Department of Career and Technical Education for the purpose of providing grants to school districts and area centers, for the biennium beginning July 1, 2017, and ending June 30, 2019.

att 2  
 SB 2019  
 3/27/17

MARKETPLACE FOR KIDS

Location	Region	School Attending	Student Count	Project Count
Williston(2016)	#1	Central Elementary School	37	15
		Grenora Public School	41	0
		Hagan Elementary School	260	17
		Kingz Kidz Academy	2	0
		Lewis and Clark Elementary School	148	20
		McMillan Home School	3	0
		McVay Elementary	91	51
		Ray School	40	33
		Ray Elementary School	18	4
		Richard Elementary School	50	8
		St. Josephs School	50	28
		Wilkinson Elementary School	187	18
		Williston Area Christian Home Educators (WACHE)	12	12
		Williston Trinity Christian School	18	2
		Totals	957	208
Minot(2017)	#2M	Burke Central School	11	0
		Burlington Elementary School	55	0
		Edison Elementary	31	0
		Edison Elementary School	63	63
		Edison School	20	0
		Lewis & Clark Elementary School	66	65
		Lewis & Clark School	24	24
		McKinley Elementary	37	5
		Our Redeemers Christian School	23	0
		Perkett Elementary	60	29
		Roosevelt Elementary	34	5
		Totals	424	191
		Bottineau(2017)	#2B	Bottineau Middle School
Dunseith Elementary School	82			0
Dunseith Public High School	39			0
Ely Elementary	38			38
Glenburn Public School	73			0
Little Flower School	7			7
St. Ann's Catholic School	20			0
Westhope Public School	19			0
Totals	326			45
Devils Lake(2017)	#3	Edmore Public School	20	0
		Munich Public School	27	12
		New Rockford-Sheyenne Public School	18	0
		St. Alphonsus Elementary School	5	0
		Starkweather Public School	12	0
		Tate Topa Tribal School	96	41
Totals	178	53		
Grafton(2016)	#4G	Fordville-Lankin Public School	13	0
		Grafton Central Middle School	250	130
		Minto Public School	13	0
		North Border - Walhalla Elementary	64	0
		Valley - Endinburg School	35	0
Totals	375	130		
Cavalier(2015)	#4C	Grafton Central Middle School	24	24
		LANGDON AREA ELEMENTARY SCHOOL	32	12
		VALLEY-EDINBURG PUBLIC SCHOOL	10	4
		NORTH BORDER - NECHE ELEMENTARY SCHOOL	12	0
		NORTH BORDER - WALHALLA PUBLIC SCHOOL	66	0
		ST. ALPHONSUS ELEMENTARY SCHOOL	10	5
		CAVALIER PUBLIC SCHOOL	48	24
		ST. THOMAS PUBLIC SCHOOL	8	8
		CENTURY ELEMENTARY SCHOOL	50	0
		CENTRAL MIDDLE SCHOOL	75	50

		Totals	335	127
Fargo/Microsoft(2016)	#5FT	Campbell-Tintah Public Schools	25	0
		Dakota Montessori School	22	0
		Eastwood Elementary School	47	0
		Ellen Hopkins Elementary School	23	0
		Legacy Elementary	71	0
		Oak Grove Lutheran School	50	0
		Waubun School District	50	0
		Totals	288	0
Wahpeton(2016)	#5W	Ashby Public School	25	0
		Breckenridge Schools	142	50
		Campbell-Tintah Public Schools	20	20
		Central Elementary	82	0
		Central Elementary School	185	0
		Dakota Montessori School	13	12
		Fairmount Public School	18	0
		Hankinson Public School	24	20
		Lidgerwood Public School	33	0
		Milnor Public School	23	0
		St. Johns School	62	0
		St. Marys School	32	28
		Wahpeton Middle School	105	0
		Wyndmere Public School	36	0
		Totals	800	130
Jamestown(2016)	#6	Ashley Public School	22	0
		Carrington Elementary	53	53
		Ellendale Public School	22	0
		Gackle Streeter School	15	0
		Lincoln Elementary	44	18
		Lincoln Elementary School	60	28
		Louis L'Amour Elementary	24	24
		Louis LAmour Elementary School	28	28
		Maple Valley Public School	25	25
		Pingree-Buchanan Elementary	13	0
		Roosevelt Elementary School	84	10
		Roosevelt School	27	9
		Washington Elementary School	26	20
		William S. Gussner Elementary School	92	24
		Wm. S. Gussner Elementary	22	0
		Totals	557	239
Bismarck(2016)	#7	Elgin New Leipzig Elementary	28	14
		Glen Ullin Elementary	34	34
		Hebron Public School	41	0
		Highland Acres Elementary	50	22
		Jeannette Myre Elementary School	46	0
		Manning School	16	0
		Napoleon School	30	0
		Pioneer Elementary School	60	54
		Sterling School	20	0
		Washburn Public School	27	0
		Wishek Elementary School	28	0
		Totals	380	124
Dickinson(2017)	#8	Beulah Middle School	63	0
		DeMores Elementary	20	9
		Lincoln Elementary	67	0
		Prairie Elementary	7	4
		Totals	157	13
<b>ALL TOTALS</b>	<b>11</b>	<b>105 Schools</b>	<b>4777</b>	<b>1260</b>

# CLASS PRESENTERS



## What "Wood" You Make with a Tree?

10:00 am, 10:35 am, 11:10 am, 12:30 pm, 1:05 pm  
*Room 216, Building O, Old Main*

**Glenda Fauske**, Information and Education Coordinator  
glenda.fauske@ndsu.edu  
**NDSU Forest Service**  
www.ndsu.edu/ndfs



## Let the world surround you at Roosevelt Park Zoo

10:00 am, 10:35 am, 11:10 am, 12:30 pm, 1:05 pm  
*Room 114, Building G, Memorial Hall*

**Renee Escherich**, Education Coordinator  
reneerpz@srt.com  
**Roosevelt Park Zoo**  
www.rpzoo.com



## Lessons About Your Money

10:00 am, 10:35 am, 11:10 am, 12:30 pm, 1:05 pm  
*Room 306E, Building M, Hartnett Hall*

**Karna Taft**, AVP, Member Services  
karna.taft@townandcountry.org  
**Deanna Lovelace**, Member Services Representative  
deanna.lovelace@townandcountry.org  
**Town & Country Credit Union**  
www.townandcountry.org



## Being a Police Officer

10:00 am, 10:35 am, 11:10 am, 12:30 pm, 1:05 pm  
*Room 301E, Building M, Hartnett Hall*

**Aaron Moss**, Senior Officer  
aaron.moss@minotnd.org  
**Stephanie Zifchock**, Patrol Officer  
stephanie.zifchock@minotnd.org  
**Minot Police Department**  
www.minotnd.org/219/Police-Department



## Bridge Building 101.

10:00 am, 10:35 am, 11:10 am, 12:30 pm, 1:05 pm  
*Audubon Room, Building E, Student Union*

**Nigel Tate**, Engineer  
nigel.tate@kljeng.com  
**KLJ Engineering**  
www.kljeng.com



## Money Smarts

10:00 am, 10:35 am, 11:10 am, 12:30 pm, 1:05 pm  
*Room 104, Building O, Old Main*

**Joy Sparks**, Financial Literacy  
Coordinator  
**North Dakota Jumpstart  
Coalition**  
Joy.sparks@tsinstitute.org



**PLEASE:**  
Food & Beverage in  
designated area ONLY!

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# CLASS PRESENTERS



## Excuse Me! Yes, Please! No, Thank You!

10:00 am, 10:35 am, 11:10 am, 12:30 pm, 1:05 pm  
*Room 218, Building O, Old Main*

**Ellen Bjelland**, Extension Agent  
ellen.bjelland@ndsu.edu

**Callie Johnson**, Extension Agent  
callie.johnson@ndsu.edu

**NDSU Extension Service**  
www.ag.ndsu.edu/extension



## Class H: Product Marketing: What, Why, How

10:00 am, 10:35 am, 11:10 am, 12:30 pm, 1:05 pm  
*Room 308, Building O, Old Main*

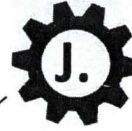
**Cassie Vetter**, Marketing Instructor  
**Minot High School**  
casvetter@gmail.com



## Wired for Success!

10:00 am, 10:35 am, 11:10 am, 12:30 pm, 1:05 pm  
*Westlie Room, Building E, Student Union*

**Treyton Hoogland**, Student, owner-  
**CT Technology Solutions, LLC**  
Treyton.hoogland@gmail.com



## Get Up And Move!

10:00 am, 10:35 am, 11:10 am, 12:30 pm, 1:05 pm  
*Metigoshe Room, Building E, Student Union*

**Roberta Abernathey**, Cheer Coach and Students  
rabernathey@mltvacations.com

**Minot State University**  
www.minotstateu.edu



## A Day in the Life of a Firefighter!

10:00 am, 10:35 am, 11:10 am, 12:30 pm, 1:05 pm  
*Room 110, Building G, Memorial Hall*

**Stuart Hammer**, Fire Inspector  
stuart.hammer@minotnd.org  
**Minot Fire Department, Station 1**  
www.minotnd.org/173/Fire-Department



## Cybersecurity 101

10:00 am, 10:35 am, 11:10 am, 12:30 pm, 1:05 pm  
*Room 329, Building M, Hartnett Hall*

**Tracy Becker**, IT Supervisor  
tmbecker@nd.gov

**ND Career & Technical Education**  
www.nd.gov/cte



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4

# CLASS PRESENTERS



## WIRED: Using Tools To Make Keychains.

10:00 am, 10:35 am, 11:10 am, 12:30 pm, 1:05 pm  
*Missouri Room, Building E, Student Union*

**Carla Palczewski**, Senior Officer  
ND Energy Education  
carlapalczewski@gmail.com



## Exploring Electricity!

10:00 am, 10:35 am, 11:10 am, 12:30 pm, 1:05 pm  
*Room 102, Building O, Old Main*

**Cody Serr**, Membership  
Development Coordinator  
cs714@midconetwork.com  
**IBEW Local 714**  
www.local714.com



## Power Plant Puzzle

10:00 am, 10:35 am, 11:10 am, 12:30 pm, 1:05 pm  
*Room 303E, Building M, Hartnett Hall*

**Kent Ellis**, Special Projects Coordinator  
kent\_ellis@bismarckschools.org  
ND Energy Education



## The Road Less Traveled

10:00 am, 10:35 am, 11:10 am, 12:30 pm, 1:05 pm  
*Room 330W, Building M, Hartnett Hall*

**Christoph Schmidt**, Campus Pastor &  
Karen Langemo  
ctoph1@gmail.com  
**LCM Student Peer Leader & MSU  
students Else-Marie Nelson, Adam  
Barden, & Paige Dolan**  
**Minot State University**  
www.minotstateu.edu



## Logo Mania!

10:00 am, 10:35 am, 11:10 am, 12:30 pm, 1:05 pm  
*Room 326, Building M, Hartnett Hall*

**Chuck Barney**, Director  
chuck.barney@minotstateu.edu  
**and students from the Severson Entrepreneurship Academy**  
**Minot State University**  
www.minotstateu.edu



## Fun with Fair Advertising

10:00 am, 10:35 am, 11:10 am, 12:30 pm, 1:05 pm  
*Room 327, Building M, Hartnett Hall*

**Beth Feldner**, Marketing Director  
ndsf@minot.com  
**North Dakota State Fair**  
www.ndstatefair.com



## Everything You Wanted To Know About Being A Teacher?

10:00 am, 10:35 am, 11:10 am, 12:30 pm, 1:05 pm  
*Room 222, Building G, Memorial Hall*

**Heather Fritz**, State Student Organizer and Early  
Education Organizer  
heather.fritz@ndunited.org  
**North Dakota United**  
ndunited.org



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# PARTICIPATING SCHOOLS



## Participating Schools & Teachers

### Burke Central High School *Lignite, ND*

Dr. Hennessey, *7th Grade*

### Burlington Elementary School *Burlington, ND*

Ms. Haner, *5th Grade*

### Edison Elementary School *Minot, ND*

Ms. Estenson, *5th Grade*  
Ms. Gillis, *5th Grade*  
Ms. Seopa, *5th Grade*  
Ms. Stanley, *4th Grade*  
Ms. Johnson, *4th Grade*  
Ms. Borho, *4th Grade*

### Roosevelt Elementary School *Minot, ND*

Mr. Jensen *4th Grade*  
Ms. McHenry, *4th Grade*  
Ms. Knutson, *5th Grade*

### Lewis & Clark Elementary School *Minot, ND*

Mr. Klein, *4th Grade*  
Ms. Mueller, *4th Grade*  
Ms. McNally, *4th Grade*  
Ms. Fjeld *4th Grade*

### McKinley Elementary School *Minot, ND*

Mr. Johnson, *5th Grade*  
Ms. Waldera, *4th Grade*

### Our Redeemer's Christian School *Minot, ND*

Ms. Jacobsen *3rd Grade*  
Ms. Richie, *3rd Grade*

### Perkett Elementary School *Minot, ND*

Ms. Debertin, *4th Grade*  
Ms. Dewitz *4th Grade*  
Ms. Burks *4th Grade*

## THANK YOU

to the following for making  
**Marketplace for Kids a Success!**

Dr. Steven W. Shirley, President  
Minot State University

Minot State University  
Faculty & Students

Marketplace for Kids Minot Area  
Advisory Leadership Team

Opening and Closing Rally Guests

Honor Guard – Colors Team  
Minot Air Force Base

National Anthem  
Sidni Kast-Freshman at Minot State University

US Senator Heidi Heitkamp-  
Comments and Welcome  
Featured Speaker

Dr. Lowell Latimer & Volunteers  
Service Corps of Retired Executives  
(SCORE) – Minot

Minot State University  
Dining Services

Volunteers

Bus Drivers

Media and Technology Crew

Class Activity Presenters

Students, Teachers, Chaperones and Advisors

Parents, Families and Friends of our Students

School Board Members  
and Administration of Participating Schools

Community Leaders

Sponsors



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# PROJECT GUIDE

The following list is in order by school, teacher and table number.

It includes the name of the project, description and the exhibitor's name(s).

## Edison Elementary School Minot, ND Ms. D. Seopa, 5<sup>th</sup> Grade

### 125\*/Sled Coat

I will sew slippery fabric on some coveralls. It will be more slippery than what is on the coat already.

Joshua G

### 126\*/The Candy Pen

It's a pen or pencil with candy or a sucker at the end.

Chi C

### 127\*/At-Home Robot

The At-Home Robot will be able to take different things from around your house and transport them to different places. For example, the At-Home Robot could bring you your cell phone or television remote.

Boston K

### 128\*/No Mess Waterer

It's an easier way to water a plant so then you won't get water on the floor and clean up water and dirt from on the floor.

Ella W

### 129\*/On The Go Solution

My project is a portable phone charger. It's going to be made with a 9 volt battery, a 9 volt battery clip, the inside of a car charger, a soldering gun, and electrical tape.

Sierra W

### 130\*/Never Lost Remote Controller

A remote controller that when it gets lost, you can call it with your phone to find it.

Aitye B

### 131\*/On The Run!

A device is put into the tongue of a spike that would connect to your phone/tablet.

Around your ankle there would be a waterproof band with some automatic vibrators that would vibrate when you reach a certain point in a race. On your phone, in the on the run app, you could set it at 1 mile, it could vibrate 2 times which could indicate to go faster.

Marcus R

### 132\*/Hear Gear

It would be great if wrestlers could hear their coaches when they really needed to! I'm inventing Hear Gear - Wrestling head gear with a speaker in it. Then coaches can coach in a noisy gym from a headset and the wrestler can actually hear them.

Connor H

### 133\*/Project Unknown

Description Unknown

Joey J

### 134\*/Cord Corral

The Cord Corral is a cover that hides your power strip and the multiple charging cords that are plugged into it. The Cord Corral has little cord cut outs on the sides so the ends of the cords are exposed. The top of the Cord Corral has built in dividers to hold your electronic devices. The back has air vents to prevent over-heating. The objective of the Cord Corral is to declutter your charging area.

Jillian A

### 135\*/Sleep Coat

The Sleep Coat is a coat that rolls down into a blanket. You can use it as a coat to stay warm when you're outside on a cold day.

When it's time to go to bed, you can roll down the blanket and rap it around your legs. The foot pocket at the bottom will keep your feet extra warm.

Claire A

### 136\*/Portable Food Warmer

This is a warmer, like a microwave, that can be used to warm food up at lunch time.

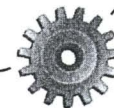
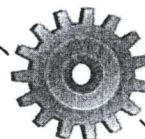
Carson M

### 137\*/Flyswatter Gun

The Flyswatter Gun is a sneaky way to get pesky flies without getting close to them. You aim the modified nerf gun at the fly and shoot! The attached swatter head will squish the unsuspecting pest.

Maxwell K

**\* These projects have received permission to be video taped by Marketplace for Kids.**



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# PROJECT GUIDE

## 138/Project Unknown

Description Unknown

**Damien R, Sophie B, Quinnten B,  
Hailey R**

## 142\*/Electric Currents In Fruit

Does electricity occur in common day fruits? Alex will connect a voltage tester to everyday common fruit to determine if electricity can be found. He will chart the fruits current and describe the outcome.

**Alexzander R**

## 143/Project Unknown

Description Unknown

**Joshua T**

## 156\*/Hot/Cold Blanket

This blanket will keep you from staying up at night by turning hot and cold. You push a button and it will turn warm. Press it again it goes cold.

**Quincy R**

**Edison Elementary School  
Minot, ND  
Ms. D. Estenson, 5<sup>th</sup> Grade**

## 105\*/Whatever You Do Don't-Turn-The-Page

This invention will prevent pages of a book from flipping when you take your hand away.

**Ruby M**

## 106\*/Squeegee Mop

The Squeegee Mop is a squeegee and a mop combined into one device. It has a sponge mop in the front and a squeegee on the back. It allows to scrub and remove excess water from the floor in one easy motion.

**Sofiah C**

## 107\*/The Treat Launcher

It's a dog learning tool to teach your dog how to get it's own food. So once your dog master's that you can add on better challenges for you dog. Also there are accessories you can get for your dog, like a treat cannon.

**Kaden J**

## 108/Project Unknown

Description Unknown

**Tyreke W**

## 109\*/Puck Thrower

You should buy it because it will help goalies be better. You can make it go high and low. It will make your team win.

**Jagger S**

## 110\*/Magnetic Gloves

Magnetic Gloves are gloves that are magnetic to pick up bolts and nails. They are used for construction workers and if they drop them they can grab them but with these gloves they won't have to.

**Tyke A**

## 111\*/PrescriptoVisor

The prescription football visor is a football visor for people who need prescription glasses.

**Jasper S**

## 112\*/Perfect Brush

There is a mirror on the back of the brush, a holder for ponytails, and other stuff you need for your hair so you can take it with you so you don't have to stand in the bathroom. When someone needs in there you can grab your brush and go.

**Chloe F**

## 113\*/Cordanizer

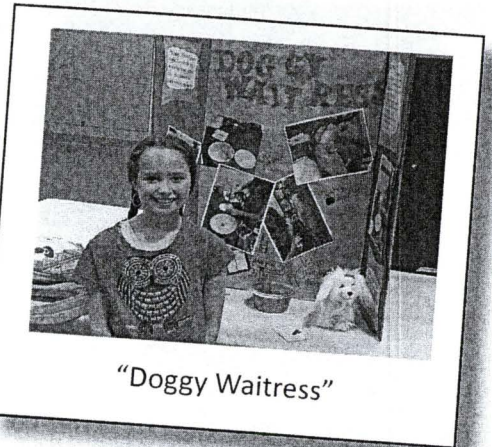
Have you ever had your cords tangles all up? Now you can get the Cordanizer. This gadget will keep your cords nice and lined. No more fussing with untangling cords.

**Stefany S**

## 114\*/T.A.R.A. (The Assistant Reading Apparatus)

It is a glow in the dark bookmark. It will help you read in bed at night when your siblings are sleeping.

**Jaxson G**



"Doggy Waitress"

## 115\*/Sore Away

My product is a spray for cold sores. A spray allows the medicine to be put on the cold sore without having to touch it.

**Annlea E**

## 116\*/The Bone Holder

The Bone Holder is a way for dogs to chew there bones without holding it for themselves. You simply place the bone on the holder and it's set! Your dogs can now have a holder for there bones and you don't have to hold it either.

**Alexa J**

## 117\*/Card Sorter

This machine will sort out cards on 2 options. One option will be by number and the other will sort by the back design. All you have to do is insert the card.

**Atrus R**

## 118\*/Weekly Fish Feeder

It will be a weekly pill box, where each day of the week will have the specific amount of food that your fish needs to eat each day.

**Ally W**



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**Career and Technical Education - Budget No. 270**  
**Senate Bill No. 2019**  
**Base Level Funding Changes**

SB 2019  
 Conf Comm.  
 4-11-17

#1  
 P1

	Senate Version				House Version				House Changes to Senate Version Increase (Decrease) - Senate Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
<b>2017-19 Biennium Base Level</b>	26.50	\$31,698,298	\$9,697,887	\$41,396,185	26.50	\$31,698,298	\$9,697,887	\$41,396,185	0.00	\$0	\$0	\$0
<b>2017-19 Ongoing Funding Changes</b>												
Base payroll changes		(\$54,785)	(\$81,221)	(\$136,006)		(\$54,785)	(\$81,221)	(\$136,006)				\$0
Health insurance increase		68,691		68,691		61,059		61,059		(7,632)		(7,632)
Reduces 1 FTE position	(1.00)			0	(1.00)			0				0
Adjust salaries and wages		168,618		168,618		168,618		168,618				0
Adjusts operating expenses		(26,751)		(26,751)		(26,751)		(26,751)				0
Adjusts postsecondary grants		(74,406)		(74,406)		(74,406)		(74,406)				0
Adjusts adult farm management grants		(80,616)		(80,616)		(80,616)		(80,616)				0
Adjusts workforce training grants		(203,500)		(203,500)		(1,203,500)		(1,203,500)		(1,000,000)		(1,000,000)
Adjusts other state-funded grants		(1,174,434)		(1,174,434)		(1,174,434)		(1,174,434)				0
Transfers funding for STEM grants to the grants line item				0				0				0
Reduces 1 additional FTE position				0	(1.00)	(157,200)		(157,200)	(1.00)	(157,200)		(157,200)
Reduces ongoing funding for Marketplace for Kids program				0		(250,000)		(250,000)		(250,000)		(250,000)
Total ongoing funding changes	(1.00)	(\$1,377,183)	(\$81,221)	(\$1,458,404)	(2.00)	(\$2,792,015)	(\$81,221)	(\$2,873,236)	(1.00)	(\$1,414,832)	\$0	(\$1,414,832)
<b>One-time funding items</b>												
Adds funding for school district and area center grants			\$2,477,000	\$2,477,000			\$2,477,000	\$2,477,000				\$0
Adds one-time funding for Marketplace for Kids program				0		250,000		250,000		250,000		250,000
Total one-time funding changes	0.00	\$0	\$2,477,000	\$2,477,000	0.00	\$250,000	\$2,477,000	\$2,727,000	0.00	\$250,000	\$0	\$250,000
<b>Total Changes to Base Level Funding</b>	(1.00)	(\$1,377,183)	\$2,395,779	\$1,018,596	(2.00)	(\$2,542,015)	\$2,395,779	(\$146,236)	(1.00)	(\$1,164,832)	\$0	(\$1,164,832)
<b>2017-19 Total Funding</b>	25.50	\$30,321,115	\$12,093,666	\$42,414,781	24.50	\$29,156,283	\$12,093,666	\$41,249,949	(1.00)	(\$1,164,832)	\$0	(\$1,164,832)

**Other Sections in Career and Technical Education - Budget No. 270**

	Senate Version	House Version
Health insurance increases		Section 2 identifies the funding increase for health insurance premium increases included in the agency's appropriation.
School districts and area centers grants	Section 3 identifies that the appropriation includes one-time funding of \$2,477,000 from the foundation aid stabilization fund to the Department of Career and Technical Education for the purpose of providing grants to school districts and area centers, for the biennium beginning July 1, 2017, and ending June 30, 2019.	Section 4 identifies that the appropriation includes one-time funding of \$2,477,000 from the foundation aid stabilization fund to the Department of Career and Technical Education for the purpose of providing grants to school districts and area centers, for the biennium beginning July 1, 2017, and ending June 30, 2019. Included in this amount is funding of \$50,000 for the Marketplace for Kids program.

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### TrainND FY16 State Funding Spending

Category	NW	NE	SE	SW	Total
Salary fringe	\$358,946	\$220,017	\$518,074	\$372,130	\$1,469,168
Marketing	-	298	-	-	298
Travel	-	480	107	-	587
Office Supplies	-	379	-	-	379
Professional Dev.	-	2,847	90	-	2,937
Printing	-	43	-	-	43
IT Communications	-	107	10,000	-	10,107
Total	\$358,946-	\$224,173	\$528,271	\$372,130	\$1,483,520

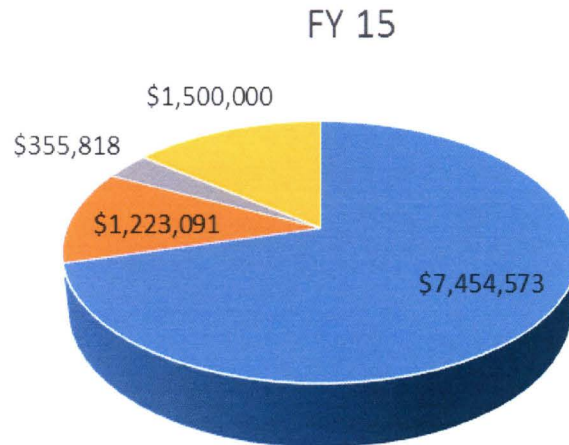
Companies pay for all the direct training cost and the funding helps for personnel in each region to administer and coordinate TrainND programs and services.

Without the funding, the regions would not be able to afford to market, service and reach the small companies within the region. The loss of funding would result in the TrainND regions changing their focus to only large companies with extensive training budgets. It was the initial intent that the TrainND regions would service all sizes of companies within the state.

As far as equipment, the new equipment was purchased with the \$1 million-dollar allocation from the 13/15 legislative session and from Workforce Enhancement grants.

## TRAINND FUNDING

House Bill 1443 enacted in 1999 established the four workforce training regions. One in each of the four regions of ND (Williston State College, Lake Region State College, ND State College of Science, Bismarck State College). TrainND has existed for the past 18 years and continues to serve area businesses in each region. The TrainND divisions build relationships between the community colleges and the business community.

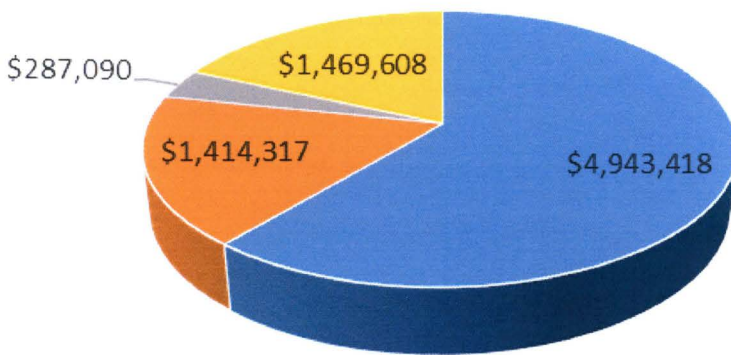


■ Direct Training Revenues ■ College In-kind ■ Grant Funding ■ State General Fund

## Fiscal Year 2016

- Training revenue accounts for 61% (\$4,943,418) of the total funding. Businesses pay for their employee training programs.
- State legislative funds account for 18% (\$1,469,608) of the total funding. State funds are allocated to pay for in-direct costs.
- The four community colleges provide office space, training rooms, IT support, Business office support, etc. which amounts to 17% (\$1,414,317) of the total funding.
- Grant funding accounts for 4% (\$287,090) of the total funding. Businesses have donated equipment/cash/services to assist TrainND with grants and for specific types of training.
- The graph reflects how the economy impacted training revenue as businesses reduced training budgets.

FY 16



■ Direct Training Revenues ■ College In-kind  
■ Grant Funding ■ State General Fund

**It's a competitive world. Train for it.**



SB 2019  
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P 1

TrainND Capital Investment	
Funding	%
BND Loan	31%
Department of Trust Lands	22%
Local Funds - Star Fund/CVB/MDU	10%
TrainND Funds	12%
Private Fundraising (Foundation)	10%
ND Challenge Funds (Presidents Office)	5%
WSC One Time Fund	10%
<b>Total</b>	<b>100%</b>

The BND loan was approved by the Legislature in 2013.

Local funds came from the City of Williston Star Fund dollars, Convention and Visitors Bureau, and Montana Dakota Utilities Charitable Foundation.

TrainND funds is training revenue (paid by businesses), budgeted for the building.

Private fundraising was completed by the Advisory Board group and the WSC Foundation. The following companies donated to the project: Oasis Petroleum, Statoil, Steel Energy Services, Whiting, SM Energy, Well Pro, Wyoming Casing, Selid Plumbing and Heating, Pioneer, and Longhorn Companies.

ND Challenge funds is based on the private sector funds raised for the project.

WSC also provided funding for the project.

4-20-17 SB 2019

17.0527.02003  
 Title.  
 Fiscal No. 3

Prepared by the Legislative Council staff for  
 Representative Monson  
 April 19, 2017

# 1  
 P1

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2019

That the House recede from its amendments as printed on pages 1253 and 1254 of the Senate Journal and pages 1348-1350 of the House Journal and that Engrossed Senate Bill No. 2019 be amended as follows:

Conf comm

Page 1, replace lines 12 through 21 with:

"Salaries and wages	\$4,763,504	(\$63,529)	\$4,699,975
Operating expenses	1,267,340	(26,751)	1,240,589
Grants	31,240,290	1,593,066	32,833,356
Grants - postsecondary	661,113	(364,906)	296,207
Adult farm management	660,438	(80,616)	579,822
Workforce training	<u>2,803,500</u>	<u>(803,500)</u>	<u>2,000,000</u>
Total all funds	\$41,396,185	\$253,764	\$41,649,949
Less estimated income	<u>9,697,887</u>	<u>2,395,779</u>	<u>12,093,666</u>
Total general fund	\$31,698,298	(\$2,142,015)	\$29,556,283
Full-time equivalent positions	26.50	(2.00)	24.50

**SECTION 2. HEALTH INSURANCE INCREASE.** The salaries and wages line item in section 1 of this Act includes the sum of \$61,059 from the general fund for increases in employee health insurance premiums from \$1,130 to \$1,241 per month."

Page 2, replace lines 4 and 5 with:

"School district and area center grants	\$0	\$2,427,000
Marketplace for kids	<u>0</u>	<u>300,000</u>
Total all funds	\$0	\$2,727,000
Less estimated income	<u>0</u>	<u>2,477,000</u>
Total general fund	\$0	\$250,000"

Page 2, line 12, after the first period insert "Of this amount, \$50,000 is for the marketplace for kids program.

**SECTION 5. WORKFORCE TRAINING.** The workforce training line item in section 1 of this Act includes \$2 million from the general fund for the purpose of providing workforce training grants for the biennium beginning July 1, 2017, and ending June 30, 2019. Of this amount, \$1.2 million is to be distributed equally to Bismarck state college, lake region state college, Williston state college, and the North Dakota state college of science. The department of career and technical education shall award the remaining \$800,000 of workforce training grants based on job training needs throughout North Dakota and may consider applications from tribally controlled community colleges when determining these grant awards."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2019 - Dept. of Career and Technical Education - Conference Committee Action**

Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
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Salaries and wages	\$4,763,504	\$4,864,807	(\$164,832)	\$4,699,975	\$4,699,975	
Operating expenses	1,267,340	1,240,589		1,240,589	1,240,589	
Grants	31,240,290	32,542,856	290,500	32,833,356	32,833,356	
Grants - Postsecondary	661,113	586,707	(290,500)	296,207	296,207	
Adult farm management	660,438	579,822		579,822	579,822	
Workforce training	2,803,500	2,600,000	(600,000)	2,000,000	1,600,000	400,000
	\$41,396,185	\$42,414,781	(\$764,832)	\$41,649,949	\$41,249,949	\$400,000
Total all funds						
Less estimated income	9,697,887	12,093,666	0	12,093,666	12,093,666	0
	\$31,698,298	\$30,321,115	(\$764,832)	\$29,556,283	\$29,156,283	\$400,000
General fund						
FTE	26.50	25.50	(1.00)	24.50	24.50	0.00

#1  
P2

**Department No. 270 - Dept. of Career and Technical Education - Detail of Conference Committee Changes**

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Removes 1 FTE Position <sup>2</sup>	Adjusts Funding for STEM Grants <sup>3</sup>	Adjusts Funding for Workforce Training <sup>4</sup>	Adjusts Funding for Marketplace for Kids <sup>5</sup>	Total Conference Committee Changes
Salaries and wages	(\$7,632)	(\$157,200)				(\$164,832)
Operating expenses						
Grants			290,500			290,500
Grants - Postsecondary			(290,500)			(290,500)
Adult farm management						
Workforce training				(600,000)		(600,000)
Total all funds	(\$7,632)	(\$157,200)	\$0	(\$600,000)	\$0	(\$764,832)
Less estimated income	0	0	0	0	0	0
General fund	(\$7,632)	(\$157,200)	\$0	(\$600,000)	\$0	(\$764,832)
FTE	0.00	(1.00)	0.00	0.00	0.00	(1.00)

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is also adjusted to reflect the revised premium rate.

<sup>2</sup> Funding is removed for 1 FTE assistant program supervisor position, to remove a total of 2 FTE positions and related funding of \$328,582 from the base level, the same as the House version. The Senate approved a reduction of 1 FTE and related funding of \$171,382.

<sup>3</sup> Funding of \$290,500 for science, technology, engineering, and math (STEM) grants is transferred from the grants - postsecondary line item to the grants line item to provide a total of \$296,207 in the grants - postsecondary line item and \$32,833,356 in the grants line item, the same as the House version.

<sup>4</sup> Funding is reduced for workforce training grants by \$600,000 from the general fund to provide a total appropriation of \$2 million, compared to the Senate version of \$2.6 million. The House approved a total appropriation of \$1.6 million from the general fund for workforce training grants. Of the \$2 million appropriated to the department for workforce training grants, \$1.2 million is to be distributed equally to Bismarck State College, Lake Region State College, Williston State College, and the North Dakota State College of Science. The department is to award the remaining \$800,000 based on job training needs throughout North Dakota and may consider applications from tribally controlled community colleges when considering grant recipients. This is also reflected in Section 5 of the bill.

<sup>5</sup> Ongoing funding for the marketplace for kids program is reduced by \$250,000 and replaced with \$250,000 of one-time funding. An amount of \$50,000 from the foundation aid stabilization fund is also identified in Section 4 of the bill to provide a total one-time appropriation of \$300,000 for the program, the same as the House version. The Senate approved \$300,000 for the program, of which \$250,000 was ongoing funding from the general fund and \$50,000 was one-time funding from the foundation aid stabilization fund.



17.0527.02005  
Title.  
Fiscal No. 4

Prepared by the Legislative Council staff for  
Representative Monson  
April 20, 2017

4-20-17 PM SB 2019

#1  
P1  
Conf.  
Comm.

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2019

That the House recede from its amendments as printed on pages 1253 and 1254 of the Senate Journal and pages 1348-1350 of the House Journal and that Engrossed Senate Bill No. 2019 be amended as follows:

Page 1, replace lines 12 through 21 with:

"Salaries and wages	\$4,763,504	(\$63,529)	\$4,699,975
Operating expenses	1,267,340	(26,751)	1,240,589
Grants	31,240,290	1,593,066	32,833,356
Grants - postsecondary	661,113	(364,906)	296,207
Adult farm management	660,438	(80,616)	579,822
Workforce training	<u>2,803,500</u>	<u>(803,500)</u>	<u>2,000,000</u>
Total all funds	\$41,396,185	\$253,764	\$41,649,949
Less estimated income	<u>9,697,887</u>	<u>2,395,779</u>	<u>12,093,666</u>
Total general fund	\$31,698,298	(\$2,142,015)	\$29,556,283
Full-time equivalent positions	26.50	(2.00)	24.50

**SECTION 2. HEALTH INSURANCE INCREASE.** The salaries and wages line item in section 1 of this Act includes the sum of \$61,059 from the general fund for increases in employee health insurance premiums from \$1,130 to \$1,241 per month."

Page 2, replace lines 4 and 5 with:

"School district and area center grants	\$0	\$2,427,000
Marketplace for kids	<u>0</u>	<u>300,000</u>
Total all funds	\$0	\$2,727,000
Less estimated income	<u>0</u>	<u>2,477,000</u>
Total general fund	\$0	\$250,000"

Page 2, line 12, after the first period insert "Of this amount, \$50,000 is for the marketplace for kids program.

**SECTION 5. WORKFORCE TRAINING.** The workforce training line item in section 1 of this Act includes \$2 million from the general fund for the purpose of providing workforce training grants for the biennium beginning July 1, 2017, and ending June 30, 2019. Of this amount, \$1 million is to be distributed equally to Bismarck state college, lake region state college, Williston state college, and the North Dakota state college of science. The department of career and technical education shall award the remaining \$1 million of workforce training grants based on job training needs throughout North Dakota and may consider applications from tribally controlled community colleges when determining these grant awards. Tribally controlled community colleges must collaborate with at least one of the four higher education institutions listed in this section when submitting applications for workforce training grants."

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2019 - Dept. of Career and Technical Education - Conference Committee Action

#1  
p2

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$4,763,504	\$4,864,807	(\$164,832)	\$4,699,975	\$4,699,975	
Operating expenses	1,267,340	1,240,589		1,240,589	1,240,589	
Grants	31,240,290	32,542,856	290,500	32,833,356	32,833,356	
Grants - Postsecondary	661,113	586,707	(290,500)	296,207	296,207	
Adult farm management	660,438	579,822		579,822	579,822	
Workforce training	2,803,500	2,600,000	(600,000)	2,000,000	1,600,000	400,000
Total all funds	\$41,396,185	\$42,414,781	(\$764,832)	\$41,649,949	\$41,249,949	\$400,000
Less estimated income	9,697,887	12,093,666	0	12,093,666	12,093,666	0
General fund	\$31,698,298	\$30,321,115	(\$764,832)	\$29,556,283	\$29,156,283	\$400,000
FTE	26.50	25.50	(1.00)	24.50	24.50	0.00

Department No. 270 - Dept. of Career and Technical Education - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Removes 1 FTE Position <sup>2</sup>	Adjusts Funding for STEM Grants <sup>3</sup>	Adjusts Funding for Workforce Training <sup>4</sup>	Adjusts Funding for Marketplace for Kids <sup>5</sup>	Total Conference Committee Changes
Salaries and wages	(\$7,632)	(\$157,200)				(\$164,832)
Operating expenses						
Grants			290,500			290,500
Grants - Postsecondary			(290,500)			(290,500)
Adult farm management						
Workforce training				(600,000)		(600,000)
Total all funds	(\$7,632)	(\$157,200)	\$0	(\$600,000)	\$0	(\$764,832)
Less estimated income	0	0	0	0	0	0
General fund	(\$7,632)	(\$157,200)	\$0	(\$600,000)	\$0	(\$764,832)
FTE	0.00	(1.00)	0.00	0.00	0.00	(1.00)

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is also adjusted to reflect the revised premium rate.

<sup>2</sup> Funding is removed for 1 FTE assistant program supervisor position, to remove a total of 2 FTE positions and related funding of \$328,582 from the base level, the same as the House version. The Senate approved a reduction of 1 FTE and related funding of \$171,382.

<sup>3</sup> Funding of \$290,500 for science, technology, engineering, and math (STEM) grants is transferred from the grants - postsecondary line item to the grants line item to provide a total of \$296,207 in the grants - postsecondary line item and \$32,833,356 in the grants line item, the same as the House version.

<sup>4</sup> Funding is reduced for workforce training grants by \$600,000 from the general fund to provide a total appropriation of \$2 million, compared to the Senate version of \$2.6 million. The House approved a total appropriation of \$1.6 million from the general fund for workforce training grants. Of the \$2 million appropriated to the department for workforce training grants, \$1 million is to be distributed equally to Bismarck State College, Lake Region State College, Williston State College, and the North Dakota State College of Science. The department is to award the remaining \$1 million based on job training needs throughout North Dakota and may consider applications from tribally controlled community colleges when considering grant recipients. Tribally controlled community colleges must collaborate with at least one of the four higher education institutions listed in section 5 of the bill when submitting applications for workforce training grants.

<sup>5</sup> Ongoing funding for the marketplace for kids program is reduced by \$250,000 and replaced with

\$250,000 of one-time funding. An amount of \$50,000 from the foundation aid stabilization fund is also identified in Section 4 of the bill to provide a total one-time appropriation of \$300,000 for the program, the same as the House version. The Senate approved \$300,000 for the program, of which \$250,000 was ongoing funding from the general fund and \$50,000 was one-time funding from the foundation aid stabilization fund.

#1  
P 3