

Funding generated by CTE programs provides districts with unrestricted funds for flexible spending.

Serving students through Career and Technical Education (CTE) programs increases funding for districts with no financial downside. Students served in CTE programs versus those served in the regular classroom generate more funding for a district. This was true before the SBOE changed the indirect cost allowance from 90/10 in 2009 to 60/40 and it remains true today. The examples below assume an average of 6 students to equal one Full Time Equivalent (FTE) for use in calculating funding.

For Example:

In 2009, the basic allotment amount was \$3218. Schools serving students through CTE programs received $\$3218 \times 1.35$ (weighted CTE FTE funding) = \$4344.30. Under the previous 90/10 split, \$3909.87 would have been designated for spending directly on CTE programs to cover salary and program costs.

100 regular students x regular allotment or \$3218 = \$321,800;
100 CTE FTEs x (1.35 x \$4344.30) x 90% = \$390,987
The district retained \$43,443 in unrestricted funds

In 2010, the basic allotment was $\$4765 \times 1.35 = \6432.75 with 60% at \$3859.65 in designated funds for the same students served in CTE under the new 60/40 indirect cost allowance split. Under the new formula, weighted funds remain flexible for local districts to spend.

100 regular students x regular allotment or \$4765 = \$476,500;
100 CTE FTEs x (1.35 x \$4765) = \$643,275 x 60% = \$385,965
The district retained \$257,310 in unrestricted funds

Serving CTE students does commit the district to spending its designated funds on the salary and program costs, but does generate more revenue for districts.

CTE Funding Calculator:

FTEs =	Number of 1 hour (credit) students attending 180 days X .167	Subtotal
FTEs =	Number of 2 hour (credit) students attending 180 days X .33	Subtotal
FTEs =	Number of 3 hour (credit) students attending 180 days X .5	Subtotal
	Total FTE's X .95 (to allow for absences) = Final FTE's	
	Final FTE's X District ABA X 1.35 =	
	Then apply the 60/40 rule	