



# INDIANA STATE BOARD OF EDUCATION

**To:** Indiana State Board of Education Members  
**Date:** November 16, 2016  
**RE:** Perkins Funds—IC 20-19-2-19: Federal funds for career and technical education; use of funds subject to allocation by general assembly

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**Recommendation:** Approve the attached draft memorandum of understanding between the Indiana Department of Education (“IDOE”) and the Indiana State Board of Education (“Board”).

## **Perkins Funding History:**

In March 2011, the General Assembly passed House Enrolled Act (“HEA”) 1340, which revised Indiana Code (“IC”) 20-19-2-19(a) to provide that the Board “shall receive, distribute, and account for all funds received for career and technical education under the Carl D. Perkins Vocational and Applied Technology Act (20 U.S.C. 2301 et seq.).” HEA 1340 was signed into law in April and was designated as effective upon passage.

Section 11 of HEA 1001-2011 (the 2011 budget bill) provided that:

The following allocations of federal funds are available for career and technical education under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq. for Career and Technical Education). These funds shall be received by the state board of education, and may be allocated by the budget agency after consultation with the board of education and any other state agencies, commissions, or organizations required by state law. Funds shall be allocated to these agencies in accordance with the allocations specified below:

	<i>FY 2011-2012</i>	<i>FY 2012-2013</i>
	<i>Appropriation</i>	<i>Appropriation</i>
STATE PROGRAMS AND LEADERSHIP		
	2,543,246	2,533,482
SECONDARY VOCATIONAL PROGRAMS		
	14,238,694	14,182,825
POSTSECONDARY VOCATIONAL PROGRAMS		
	8,156,232	8,124,229
TECHNOLOGY - PREPARATION EDUCATION		
	2,463,650	2,463,650

The 2011 budget bill was effective July 1, 2011.

At the May 2011 Board meeting, Matt Fleck, Division of College and Career Preparation, presented a request for approval of the ratifications, certifications, assurances, and other actions necessary to reflect designation of the Board as the Perkins IV eligible agency pursuant to HEA 1340-2011. See [http://www.in.gov/sboe/files/2011\\_may-minutes-approved.pdf](http://www.in.gov/sboe/files/2011_may-minutes-approved.pdf).

Section 11 of HEA 1001-2013 (the 2013 budget bill) provides similar, but not identical, language regarding the use of Perkins funds:

The following allocations of federal funds are available for career and technical education under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq. for Career and Technical Education). These funds shall be received by the state board of education, and may be allocated by the budget agency after consultation with the board of education and any other state agencies, commissions, or organizations required by state law. Funds shall be allocated to these agencies in accordance with the allocations specified below:

<i>FY 2013-2014</i>	<i>FY 2014-2015</i>
<i>Appropriation</i>	<i>Appropriation</i>
STATE PROGRAMS AND LEADERSHIP	
2,546,515	2,546,515
SECONDARY VOCATIONAL PROGRAMS	
14,341,974	14,341,974
POSTSECONDARY VOCATIONAL PROGRAMS	
8,067,360	8,067,360

In accordance with IC 20-20-38, the budget agency, with the advice of the board of education and the budget committee, may proportionately augment or reduce an allocation of federal funds made under SECTION 11 of this act.

The 2013 budget bill was effective July 1, 2013.

Finally, section 11 of HEA 1001-2015 (the current State budget) provides:

The following allocations of federal funds are available for career and technical education under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq. for Career and Technical Education). These funds shall be received by the state board of education, and may be allocated by the budget agency after consultation with the board of education and any other state agencies, commissions, or organizations required by state law. Funds shall be allocated to these agencies in accordance with the allocations specified below:

<i>FY 2015-2016</i>	<i>FY 2016-2017</i>
<i>Appropriation</i>	<i>Appropriation</i>

STATE PROGRAMS AND LEADERSHIP

1,960,000	1,960,000
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SECONDARY VOCATIONAL PROGRAMS

14,988,905	14,988,905
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POSTSECONDARY VOCATIONAL PROGRAMS

7,400,345	7,400,345
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In accordance with IC 20-20-38, the budget agency, with the advice of the board of education and the budget committee, may proportionately augment or reduce an allocation of federal funds made under SECTION 11 of this act.

The 2015 budget bill was effective July 1, 2015.

**The MOU:**

In 2011, the Board was part of the same business unit as IDOE; thus as a matter of convenience IDOE received and allocated Perkins on behalf of the Board. However, the Board subsequently became a separate business unit, necessitating a formalization of the relationship between the Board and IDOE in order for IDOE to continue handling Perkins funds. During the August 6, 2014, business meeting, the Board approved an action item that authorized the Executive Director to enter into a MOU on behalf of the Board—allowing the Perkins funds to “flow through” to IDOE for the continued administration of the Perkins funds and the programs associated with the Perkins funds for the period 07/01/2014 – 09/30/2015. This MOU was amended in 2015, extending the effective period to September 30, 2016.

As the previous MOU has expired, Board staff recommend that the Board authorize the Executive Director to enter into a new MOU on behalf of the Board with IDOE, permitting IDOE to continue the administration of the Perkins funds and the programs associated with the Perkins funds for the period 10/01/2016 – 09/30/2017.

Further, because the Board is required by law to account for all Perkins funds, the MOU will require IDOE to submit a plan to the Board detailing its proposed distribution of Perkins funds for the Board’s approval, as well as quarterly reports detailing actual distribution of the funds.