



October 8, 2008

Legislative Reference Library  
645 State Office Building  
100 Constitution Avenue  
St. Paul, Minnesota 55155

Re: In The Matter of the Proposed Rules of the State Department of Education Relating to Proposed Permanent Rules Relating to Secondary Career and Technical Education; Governor's Tracking #AR 350

Dear Librarian:

The Minnesota Department of Education intends to adopt rules relating to secondary career and technical education. We plan to publish a Dual Notice of Intent to Adopt Rules without a Public Hearing in the October 13, 2008, State Register.

The Department has prepared a Statement of Need and Reasonableness. As required by Minnesota Statutes, sections 14.131 and 14.23, the Department is sending the Library a copy of the Statement of Need and Reasonableness at the same time we are mailing our Notice of Intent to Adopt Rules.

If you have questions, please contact me at 651-582-8583.

Yours very truly,

A handwritten signature in black ink that reads "Kerstin Forsythe Hahn".

Kerstin Forsythe Hahn  
Rulemaking Coordinator

Enclosure: Statement of Need and Reasonableness

## **Minnesota Department of Education**

### **STATEMENT OF NEED AND REASONABLENESS**

#### **Proposed Amendment to Rules Governing Secondary Career and Technical Education, Minnesota Rules Chapter 3505**

#### **INTRODUCTION**

Minnesota school districts provide secondary students with opportunities to begin their career preparation by participating in career and technical education programs. Under Minnesota Statute 120B.022, each school district must offer instruction that allows students to meet elective standards, including locally developed standards in vocational [career] and technical education.

Minnesota Rules Chapter 3505 provide guidance to school districts to ensure that their career and technical education programs are operated in accordance with Minnesota state law, the federal Perkins Act, and the Minnesota State Plan for Career and Technical Education. Minnesota operates career and technical education programs at the high school and 2-year college levels under guidance provided by the federal Carl D. Perkins Career and Technical Education Act. *See* 20 U.S.C. 2301 (1996). This Act, reauthorized in 2006, directs states to develop a plan for the operation of career and technical education programs. The state plan describes among other things, the career and technical education activities that will be supported by federal funds, including a description of programs of study to be developed and implemented, how funds will be used to improve or develop new programs, how academic and technical coursework will be linked, and how performance will be reported. Minnesota Rules Chapter 3505 provide guidance to school districts to ensure that their career and technical education programs are operated in accordance with Minnesota state law, the federal Perkins Act, and the Minnesota State Plan for Career and Technical Education.

The reauthorization of the Carl D. Perkins Act in 2006 brought significant changes to the federal requirements for career and technical education programs, and the Minnesota State Plan for Career and Technical Education required by that Act spells out new program requirements and new relationships between secondary and postsecondary career and technical education. Most notable under the Perkins Act and the new State Plan are: (1) a name change from "vocational" to "career and technical" to recognize that programming prepares students for careers using technology and often requiring baccalaureate preparation or more; (2) requirements that local recipients of federal funds develop programs of study for career and technical education that span at least grade 11 through two years of postsecondary study; (3) new requirements for aligning valid and reliable technical skill assessments with the stated needs of business and industry partners; (4) new requirements established for local recipients of Perkins funds for negotiating performance with the state toward key indicators of student performance in academic and technical preparation; and (5) an expectation that support will be available to assist members of identified special populations of students to be successful in their career and technical studies.

Minnesota's State Plan for Career and Technical Education was developed utilizing stakeholder and broad public input received over a period of more than two years. The plan incorporated

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Statement of Need and Reasonableness for Proposed Amendments  
to Minnesota Rules, Chapter 3505

recommendations from a task force assembled for that purpose, and was presented to the public at regional meetings held throughout the state. While the Minnesota State Colleges and Universities system is specifically charged with the responsibility for developing and implementing the State Plan under Minn. Stat. § 136F.79, the plan was developed and will be implemented in full collaboration with the Minnesota Department of Education. The Plan states that funds received by Minnesota under the Perkins Act will be divided into secondary and postsecondary budgets that will be separately administered respectively by the Minnesota Department of Education and the Office of the Chancellor of the Minnesota State Colleges and Universities.

In light of these changes, the Minnesota Department of Education must modify the existing rules in Minnesota Chapter 3505 in order to fully implement the requirements of applicable state and federal law and the Minnesota State Plan for Career and Technical Education and to promote continuous improvement of local career and technical education programs.

This rule package is the result of intense drafting work by the Department and careful consideration of feedback provided by the Education Action Committee of the Governor's Workforce Development Council and by the Minnesota Association of Career and Technical Administrators (MACTA) at regularly held meetings. The revision of these rules was specifically discussed by the CTE subcommittee of the Education Action Committee of the Governor's Workforce Development Council at meetings on November 16, 2007, and February 19, 2008, and by the full Education Action Committee at its meeting on April 10, 2008. The Department discussed the proposed rule changes to Chapter 3505 at several MACTA meetings between January and July, 2008, on February 13, 2007, April 27, 2007, October 4, 2007 and April 24, 2008. Overall, the members of these two organizations fully supported the proposed changes to Chapter 3505.

Additionally, the intent to modify rules in Chapter 3505 was included in presentations to the following groups:

- Statewide career and technical education workshop sponsored by MACTA, August 1, 2007, St. Cloud
- Superintendents' conference, August 15, 2007, St. Paul
- New health occupations teachers workshop, August 27, 2007, Roseville
- University of Minnesota Office of Professional Development Outreach, September 20, 2007, Bloomington
- Minnesota Technology Education Association, September 29, 2007, St. Cloud
- Project Lead The Way regional support meeting, October 11, 2007, Mankato
- Project Lead The Way regional support meeting, October 12, 2007, Eden Prairie
- Minnesota school counselors' conference, October 16, 2007, Roseville
- University of Minnesota critical issues class, March 6, 2008, St. Paul
- Region IV business managers conference, March 13, 2008, Marshall

The Department also published its Request for Comments in the State Register on July 30, 2007, and received no formal comments from the public. The Minnesota Legislature has responded to some cost concerns by allocating, in its 2006 session, funding for the provision of services to additional children who will be eligible under these proposed rule changes.

## **Alternative Format**

Upon request, this document can be made available in an alternative format. To make a request, contact Anne Danielson at the Minnesota Department of Education, 1500 Highway 36 West, Roseville, MN, 55113; phone: 651.582.8333; FAX: 651.582.8249. TTY users may call the Department of Education at 651.582.8201

## **Statutory Authority**

The Department's statutory authority to adopt the rules is set forth in 2007 Minnesota Session Laws, Chapter 146, Article 7, Section 3 which states:

### **Sec. 3. RULEMAKING AUTHORITY; CAREER AND TECHNICAL EDUCATION**

The commissioner of education shall adopt rules under Minnesota Statutes, chapter 14, for the administration of career and technical education programs for grades 7 through 12 under Minnesota Statutes, sections 124D.452, 124D.4531, and 124D.454, to ensure that the career and technical levy and programs can be administered to serve students under the current state and local organizational structures.

Under this law, the Department has the necessary statutory authority to adopt the proposed rules.

This authority was signed into law on May 30, 2007. The Department published its Notice of Hearing before November 30, 2008, which is within the 18-month time limit set forth in Minn. Stat. § 14.125.

## **Cost of Complying For Small Business or City**

As required by Minn. Stat. 14.127, the Department has considered whether the cost of complying with the proposed rules in the first year after the rules take effect will exceed \$25,000 for any small business or small city. The Department has determined that the cost of complying with the proposed rules in the first year after the rules take affect will not exceed \$25,000 for any small business or small city.

This determination was made because the proposed rules do not affect small businesses and small cities.

## **Consult with Finance on Local Government Impact**

As required by Minn. Stat. 14.131, the Department has consulted with the Commissioner of Finance. On August 19, 2008, prior to the Department publishing the Notice of Intent to Adopt, the documents that were sent to the Governor's office for review and approval were also sent to the Commissioner of Finance. The documents submitted included the Governor's Office Proposed Rule and SONAR Form; final proposed rules; and almost final Statement of Need and Reasonableness.

## Performance Based Rules

Throughout the development of the proposed rules and this SONAR, the Department made every attempt to develop rules that will be understandable to practitioners and families ensuring efficient and effective delivery of services while achieving the best possible results for students.

## Regulatory Analysis

Minnesota Statutes, section 14.131, sets out seven factors for a regulatory analysis that must be included in the SONAR. Paragraphs (1) through (7) below quote these factors and then give the agency's response.

**(1) A description of the classes of persons who probably will be affected by the proposed rule, including classes that will bear the costs of the proposed rule and classes that will benefit from the proposed rule.**

- The classes of persons affected by this rule include students in secondary career and technical education programs; school district personnel; and faculty in Minnesota community and technical colleges operating career and technical education programs. In addition, staff from the Minnesota Department of Education and from the Minnesota State Colleges and Universities office of the Chancellor will be affected to the extent that they provide field training, technical assistance and enforcement oversight to local providers.
- Those that will bear the costs of the proposed rule include the Minnesota Department of Education and school districts. The Department will bear the cost of facilitating implementation of the rule, including training, assistance and oversight. School districts will bear the costs of implementing the rule because they are required to provide career and technical education opportunities and must ensure that those opportunities are operated in accordance with Minnesota law and rule, though such costs are unlikely to vary significantly from the costs of implementing career and technical education programs under the current rules.
- Those that will benefit from the proposed rules include primarily the students in career and technical education programs, as well as potential students in these programs. Implementation of the proposed modifications to Chapter 3505 will provide greater assurance that career and technical education programs offered by Minnesota school districts meet high standards of quality and will provide opportunities for students to make smooth transitions into programs at the state's community and technical colleges.
- School districts also will benefit from this rule change since provisions in the rule will now use updated terminology and will be aligned with statutory changes implemented since the last update of the rules making them easier to follow. Updating terminology will benefit school districts because career and technical education programming may be supported by any of several funding streams and consistent terminology makes it easier for districts to see how these various sources of funds may be used to support programming. Districts will also

benefit because the proposed rules will also result in greater consistency in career and technical education programming through the state.

- Finally, Minnesota as a whole will benefit from greater linkages among secondary education, postsecondary education and workforce development efforts through consistent implementation of programs of study in career and technical education.

**(2) The probable costs to the agency and to any other agency of the implementation and enforcement of the proposed rule and any anticipated effect on state revenues.**

- The probable costs to the Minnesota Department of Education are staffing costs associated with ongoing training and technical assistance, guidance, oversight and enforcement. It is anticipated that current staff time and resources will be reallocated to accommodate these needs.
- The probable costs to the Minnesota State Colleges and Universities will be minimal and addressed with federal resources available under the Carl D. Perkins Career and Technical Education Act. The Minnesota State Colleges and Universities Office of the Chancellor will, along with the Department of Education, provide support services such as training and guidance, but these services likely will not result in the need for additional staff or agency resources.
- This rule is not anticipated to have any effect on state revenues.

**(3) A determination of whether there are less costly methods or less intrusive methods for achieving the purpose of the proposed rule.**

- There are no less costly methods for achieving the purpose of the proposed rule. It is necessary to update Chapter 3505 to align the rules with the federal Carl D. Perkins Career and Technical Education Act of 2006 and to align the operation of career and technical education oversight and management with changes made to Minnesota statutes. No other process will allow the Minnesota Department of Education to continue its necessary oversight and management activities consistently and effectively.
- There are no less intrusive methods for achieving the purpose of these proposed rules. The federal Carl D. Perkins Career and Technical Education Act of 2006 requires states to develop or approve career and technical education programs of study, defined as nonduplicative sequences of academic and technical courses beginning by grade 11 and continuing for two or more years of postsecondary education. Minnesota Statutes section 120B.022 provides that a local school district must establish its own standards and assessments in vocational and technical education. Minnesota Rules Chapter 3505 functions to bridge these two requirements, by establishing processes that ensure that career and technical education programs operated by Minnesota schools meet standards of quality necessary to address the federal program of study requirement while still allowing implementation of local career and technical education curricula and local career and technical education content standards pursuant to 120B.022.

- The Department gave brief consideration to eliminating the rules in chapter 3505 as a less intrusive option for school districts, but the relationship between the rules in Chapter 3505, the federal Perkins Act, child labor laws, special education laws and other laws and regulations would place the burden on individual school districts to make those alignments if they were not addressed by the state.

**(4) A description of any alternative methods for achieving the purpose of the proposed rule that were seriously considered by the agency and the reasons why they were rejected in favor of the proposed rule.**

- The Department gave brief consideration to recommending elimination of the rules in Chapter 3505, and at the same time granting authority directly to school districts to operate and manage career and technical education programs. However, such action could mean:
  1. Career and technical education programs in Minnesota's secondary schools might not meet federal programmatic expectations under the Carl D. Perkins Career and Technical Education Act of 2006, thus possibly making programs ineligible for federal funding support.
  2. Career and technical education programs would not receive state approval thus making them ineligible for special considerations under state and federal child labor laws. *See* Minn. Stat. Ch. 181A and Hazardous Occupation Orders at <http://www.dol.gov/dol/topic/youthlabor/hazardousjobs.htm>. Hazardous Occupations Orders numbers 5, 8, 10, 12, 14, 16, and 17 contain exemptions for 16- and 17-year-old student-learners if they are enrolled in a course of study and training in a cooperative career and technical education training program under a recognized state or local educational authority or in a course of study in a substantially similar program conducted by a private school.
  3. Assurances that career and technical education programs meet quality standards would not be available thus hampering credit transfer arrangements between secondary and postsecondary career and technical education programs.

**(5) The probable costs of complying with the proposed rule, including the portion of the total costs that will be borne by identifiable categories of affected parties, such as separate classes of governmental units, businesses or individuals.**

- Compliance with the proposed changes to Chapter 3505 are not likely to impose any additional costs for the state's school districts. The Minnesota Department of Education expects that costs under the proposed changes would be similar to the costs currently borne by school districts for operation of career and technical education programs. There also will be no costs to students for participation in career and technical education programs under these rules except for supplies necessary for work that exceeds course requirements as allowed under Minnesota Statutes section 123B.36. School district personnel and faculty in career and technical programs at the state's postsecondary institutions will bear no costs for compliance with these rules. The Minnesota Department of Education will absorb necessary costs for providing training and technical assistance to school districts regarding these rules.

**(6) The probable costs or consequences of not adopting the proposed rule, including those costs or consequences borne by identifiable categories of affected parties, such as separate classes of government units, businesses or individuals.**

- Minnesota has been operating career and technical education programs under the outdated rules currently in Chapter 3505. If the proposed changes are not adopted, school districts likely would continue to operate career and technical education programs and access state and local funds for those programs. However, the alignment between secondary and postsecondary programs expected under the federal Carl D. Perkins Act of 2006 is premised on consistent programming under federal and state regulations. Thus, the alignment between secondary and postsecondary programs under the Perkins Act would likely not occur to the same extent if these rule changes are not adopted. Furthermore, if these proposed rule changes are not adopted, approximately \$6 million in career and technical education funds received by Minnesota school districts under the Perkins Act might be jeopardized.

**(7) An assessment of any differences between the proposed rule and existing federal regulations and a specific analysis of the need for and reasonableness of each difference.**

- The proposed rule amendment will bring Minnesota's rules into alignment with the Minnesota State Plan for Career and Technical Education developed under the Carl D. Perkins Career and Technical Education Act of 2006 and adopted by the Board of Trustees of the Minnesota State Colleges and Universities on March 19, 2008. The federal Perkins Act delegates responsibility to states to implement career and technical education programs that meet the requirements of the Act and to specify in the State Plan how Minnesota's rules and regulations will ensure compliance with those requirements. The State Plan relies, in part, on the approval, funding and implementation practices for career and technical education programs that are specified in Minnesota Rules Chapter 3505.

**Additional Notice Plan**

A Request for Comments was published in the *State Register* on July 30th, 2007. The proposed rules and a Dual Notice will be published in the *State Register* on October 13, 2008. At that time, the Department also will make the proposed rules available and send the Dual Notice to the following parties:

- Individuals and organizations on the Department's registered rulemaking list;
- Career and Technical Education Interested Parties Mailing List;
- Minnesota District Superintendents, via the Department's weekly superintendents informational email;
- Education Action Committee of the Governor's Workforce Development Council or its successor committee;
- Minnesota Association of Career and Technical Administrators with special notice to the members of their licensure committee;
- The leadership of the Minnesota Association for Career and Technical Education;
- The leadership of the Minnesota Association of Alternative Programs;
- The leadership of the Minnesota School Counselors Association;



The State Director for Career and Technical Education housed at the Office of the Chancellor, Minnesota State Colleges and Universities;  
Secondary and postsecondary coordinators of the state's Perkins consortia;  
The Minnesota Foundation for [Career and Technical] Student Organizations;  
Department heads responsible for teacher preparation for career and technical education at the University of Minnesota, Bemidji State University, and Winona State University;  
Special Education Directors  
Chairs of relevant legislative committees;  
Posting on the Department's Website; and  
Individuals and entities who requested copies of the proposed rules.

The Additional Notice Plan also includes giving notice required by statute. The Department has mailed the rules and Dual Notice to everyone who has registered to be on the Department's rulemaking mailing list, which is required by *Minnesota Statutes*, section 14.14, subdivision 1a. We will also give notice to the legislature per *Minnesota Statutes*, section 14.116.

#### **List of Witnesses**

If these rules go to a public hearing, the Department anticipates having the following witnesses testify in support of the need for and reasonableness of the rules.

##### **1. Dan Smith, Supervisor, Adult and Career Education**

Dan leads the unit within the Department of Education responsible for implementation of secondary career and technical education programs, and was the primary author of the Statement of Need and Reasonableness. Dan will review the significant changes proposed to rules in Chapter 3505.

##### **2. Marlys Bucher, Adult and Career Education**

Marlys is primarily responsible for the implementation of secondary career and technical education programming supported by the federal Carl D. Perkins Career and Technical Education Act and for collection and analysis of student data required to meet accountability provisions of that Act. Marlys will speak to the relationship between the proposed rules in Chapter 3505 and the implementation of secondary career and technical education programs under the Perkins Act.

##### **3. Pradeep Kotamraju, Minnesota State Colleges and Universities**

Pradeep is System Director for the Perkins federal grant in the office of the chancellor, Minnesota State Colleges and Universities, and serves as Minnesota's State Director for Career and Technical Education. Pradeep will speak to the secondary-postsecondary collaboration around career and technical education in Minnesota and the relationship of the rules in Chapter 3505 to the operation of career and technical education programs in the state's community and technical colleges.

4. Maureen Amundson, Governor's Workforce Development Council Education Action Committee

Maureen directs career and technical education programs for the Rochester Public Schools and chaired the education action committee of the Governor's Workforce Development Council during the rulemaking process. Maureen will speak to the discussion of these rules through that committee and to the relationship between career and technical education and other workforce development initiatives in Minnesota.

5. Jayne Greeney-Schill, President, Minnesota Association of Career and Technical Administrators; Saint Cloud Area Schools

Jayne directs career and technical education programs for the Saint Cloud Area Schools and serves as president of the Minnesota Association of Career and Technical Administrators. Jayne will speak to discussion of the proposed rules held by the Board of Directors and membership of the Minnesota Association of Career and Technical Administrators, and the anticipated impact of these revised rules on secondary career and technical education programming in Minnesota schools.

6. Rose Hobson, Committee Chair, Minnesota Association of Career and Technical Administrators; Intermediate School District #287

Rose directs career and technical education programs for Intermediate School District #287 in the western suburban area of Minneapolis, and chaired the licensure committee for the Minnesota Association of Career and Technical Administrators during the period that these rule changes were developed. The Board of Directors of the Minnesota Association of Career and Technical Administrators assigned responsibility for a thorough review of the proposed changes to its licensure committee. Rose will speak to discussion of the rules changes by that committee and the recommendations of that committee to the Board of Directors of the Minnesota Association of Career and Technical Administrators.

## Rule-by-Rule Analysis

### TERM CHANGES

The term "career and technical," or the term "career" where appropriate, is substituted for "vocational" wherever it appears in Minnesota Rules, Chapter 3505. The term change is reasonable since it brings consistency between state and federal programming. The term change is necessary because the new federal definition of career and technical education under the Carl D. Perkins Career and Technical Education Act of 2006 expands the previous understanding of vocational education from preparation for careers requiring less than a baccalaureate degree to now include preparation for careers that may require baccalaureate preparation or beyond. Due to the term change subpart 37 has been moved up to be subpart 31(a) and subparts 43 and subparts 45-48 in Minnesota Rule, part 3505.1000 previously included in the "v" section of the definitions have been moved to the "c" section and are now subparts 4 (a)-(e).

### 3505.1000 DEFINITIONS.

Subpart 1. **Scope.** For the purpose of parts 3505.1000 to ~~3505.2300~~ 3505.5900, the words, phrases and terms defined in this part shall have the meanings respectively ascribed to them.

The change to the application of the scope section of the definitions is necessary and reasonable because the current scope applies only to the first half of the rules. The scope of the definitions should apply to all of the career and technical education rules, thus the scope has been broadened to encompass the entire rule chapter.

Subp. 2. [Repealed, 12 SR 2746]

Subp. 2a. **Appropriately licensed staff.** "Appropriately licensed staff" means:

A. teachers holding secondary teaching licenses and teachers utilizing waivers or variances granted by the Board of Teaching for teaching in state-approved secondary career and technical education programs as specified on the Table of Career and Technical Education Programs and Licenses maintained by the division within the Minnesota Department of Education responsible for secondary career and technical education.

B. technical tutors holding technical tutor licensure granted under rules of the Minnesota State Board of Education.

C. paraprofessionals meeting requirements as highly qualified under the Elementary and Secondary Education Act or its successor; and

D. individuals holding licensure as Local Vocational Program Director or, where no individual within a district holds such licensure, the superintendent.

Prior to 1993, Minnesota had two state boards with significant oversight of the state's educational programs: the Minnesota Board of Education had general oversight of educational programming in both regular and vocational (career and technical) education and had oversight for rules for vocational teaching and the Minnesota Board of Teaching had oversight for rules pertaining to licensure of the state's teachers other than those in vocational programs. Due to the separation of duties of the two boards, Minnesota maintained two systems of teacher licensure: standard licenses granted under the rules of the Minnesota Board of Teaching and vocational licenses granted under the rules of the Minnesota Board of Education. To be appropriately licensed for career and technical (vocational) programs under those rules meant that the individual held one of the vocational licenses. Vocational licenses were granted to vocational teachers, vocational administrators, vocational support personnel and technical tutors who operated under direct supervision of a vocational teacher. Action by the 1993 Minnesota Legislature transferred licensure authority for vocational education licenses from the Board of Education to the Board of Teaching and repealed the vocational teaching licensure rules. 1993 Minn. Laws Ch. 224, Art. 12, Sec. 39. The Board of Teaching was directed to establish new licensure rules for all teaching subjects consistent with the results-oriented, outcome-based programming of the time. The Board adopted new rules for teaching of career and technical education subjects in September of 2001.

By moving career and technical (vocational) education licensure rules to the Board of Teaching, confusion existed about which licensure rules pertained to state-approved career and technical education programs and which licensure rules pertained to general education programs in Minnesota schools. The addition of a definition of appropriately licensed staff is necessary because it provides clarity to school districts about which personnel are considered appropriate for the operation of state-approved career and technical education programs. Furthermore, this definition clarifies the roles of the Minnesota Department of Education and the Minnesota Board of Teaching in making a determination of who are appropriately licensed staff for career and technical education programs. The addition of the definition of appropriately licensed staff is reasonable because it clarifies that teacher licensure rules in the state of Minnesota are appropriately under the purview of the Minnesota Board of Teaching while the authority for determining which teacher license is appropriate to meet funding and programmatic requirements of career and technical education programs in Minnesota rightly belongs with the Minnesota Department of Education.

In adopting new rules for teacher licensure the Board of Teaching opted to no longer offer a non-teaching license for technical tutor though individuals holding such licensure are permitted to renew those licenses using the rules for renewal of teaching licenses. A technical tutor who was licensed under the rules of the Board of Education is an individual with background in a technical field who, operating under direct supervision of a licensed career and technical education teacher, provides additional supports for students with special needs (see Subpart. 35). When the Board of Teaching decided to discontinue the granting of new technical tutor licenses, school districts lost the capacity to hire individuals in funded positions to provide these supports to students with special needs. The Department sought permission from the 2003 Legislature to utilize paraprofessionals in the capacity of technical tutors with the understanding that such paraprofessionals would meet the criteria of highly qualified paraprofessionals under the Elementary and Secondary Education Act (No Child

Left Behind). 2003 Minn. Laws 1Sp, Ch. 9, Art. 3, Sec. 4. That permission was granted. . Thus, items B and C above are reasonable for defining these two types of support personnel as appropriately licensed under the rules of Chapter 3505, and necessary to clarify that expenditures related to these individuals qualify for career and technical education revenue.

The Minnesota Board of Education developed rules for the licensure of local vocational (career and technical) administrators. Action by the 1993 Minnesota Legislature transferred licensure authority for local career and technical education administrators from the Board of Education to the Board of Teaching. 1993 Minn. Laws, Ch. 224, Art. 12, Sec. 39. Authority for licensure of local career and technical administrators was further transferred to the Minnesota Board of School Administrators when that Board was established by the 2001 Legislature. 2001 Minn. Laws 1Sp, Ch. 6, Art. 7, Sec. 8. Local career and technical education administrators are individuals who hold special understanding of the laws and rules pertaining to career and technical education programs, and the unique nature of curriculum development and instruction tied closely to preparation for positions in business and industry. Local career and technical administrators must show proficiency in school finance, public relations, communications, school law, leadership and personnel management and program planning and development. Authority for the licensure for local career and technical administrators exists under Minnesota Rules 3517.0110, item D. The above definition is necessary since it recognizes the qualifications of a licensed career and technical administrator and specifies that the skill set to administer career and technical education programs lies with a licensed career and technical administrator or, if none is available in a district, with the superintendent who has demonstrated similar skills through licensure.

Additionally, following discussion at its meeting on November 16, a draft definition of "appropriately licensed staff" was distributed to members of the Education Action Committee of the Governor's Workforce Development Council. This draft was substantially similar to the language proposed above in subpart 2a. Deb Rogne of Rochester Community and Technical College responded positively to the proposed language.

Subp. 3. **Authorized local administrator.** "Authorized local administrator" means the licensed vocational career and technical administrator who has major responsibility for vocational career and technical education at the secondary level for a district or center and is assigned to provide management and leadership in secondary vocational career and technical education. The superintendent may act as the authorized local administrator in the absence of a local vocational career and technical administrator.

Subp. 4. **Bona fide sale.** "Bona fide sale" means the competitive sale of unneeded property which results in the highest possible investment return.

Subp. 4a. **Career and technical education.** "Career and technical education" means organized educational programs,

services, and activities which are related to the preparation of individuals for paid or unpaid work or for additional preparation for a career requiring technical competencies or a postsecondary or higher education advanced degree.

The proposed subpart 4a updates the definition of career and technical education to be consistent with the federal Carl D. Perkins Career and Technical Education Act of 2006. Prior to the reauthorization of the Perkins Act in 2006, career and technical (vocational) education was defined federally as programs preparing students for careers requiring less than a baccalaureate degree. The 2006 reauthorization of the Perkins Act expanded the definition of career and technical education to include programs that prepare students for paid or unpaid work or for further education leading to paid or unpaid work regardless of the eventual level of education required for that work. It is reasonable for Minnesota to use a consistent definition of career and technical education for programming supported by local, state or federal resources. Subpart 4a is necessary because it defines career and technical education for the purposes of Minnesota Rules Chapter 3505.

**Subp. 4b. Career and technical instructional program.**

"Career and technical instructional program" means an educational activity or a series of instructional components designed to meet the program objectives for the period of instruction.

The changed definition of subpart 4b, career and technical instructional program, is necessary and reasonable because it updates language consistent with the federal Carl D. Perkins Career and Technical Education of 2006, by replacing the term 'vocational' with 'career and technical'.

**Subp. 4c. Career and technical program advisory committee.**

"Career and technical program advisory committee" means a group of persons with competence or interests in an occupational field related to the program being served, selected for offering advice to teachers or administrators regarding career and technical education. At least 50 percent of the members shall be representatives of a directly related business, labor or industry.

The changed definition of subpart 4c, career and technical education program advisory committee, is reasonable because it updates language consistent with the federal Carl D. Perkins Career and Technical Education Act of 2006 and clarifies, by membership, the purpose of a career and technical education advisory committee. Subpart 4c is necessary because it is a requirement in Minnesota that all state-approved career and technical education programs must have advisory committees as defined above.

**Subp. 4d. Career and technical aid revenue.** "Career and technical revenue" means categorical state and federal funding or local levy revenue for secondary career and technical education programs meeting criteria set forth in rules.

The term change from 'aid' to 'revenue' in subpart 4d is necessary and reasonable because specifying that career and technical education revenue is a combination of state categorical aid, federal aid for career and technical education and revenue from a local permissive career and technical education levy clarifies the sources of revenue that are governed by Chapter 3505. Aid flows from the state to local school districts on the basis of a legislative appropriation. The term 'revenue' is used where the proceeds of a locally-adopted levy exist instead of, or in addition to, aid that flows directly from the state. Legislative changes in 1999 replaced state categorical aid for regular career and technical education with a permissive local levy and specified that the proceeds of that levy may only be used for career and technical education programs. Subpart 4d clarifies that career and technical education revenue governed by Chapter 3505 includes not only categorical state and federal funding but also local levy revenue received by a school district under its permissive career and technical education levy under Minnesota Statutes section 124D.4531.

**Subp. 4e. Career and technical student organization.**

"Career and technical student organization" means organizations of career and technical education students which provide the opportunity for the development of leadership abilities, personal improvement of individual members, and aid in their transition from school to career.

Minnesota requires each career and technical education program to incorporate opportunities for students to develop leadership skills and encourages programs to utilize co-curricular career and technical education student organizations as a means for providing those leadership development opportunities. The definition of career and technical student organization proposed above is reasonable because it updates the rule language to be consistent with the federal Carl D. Perkins Career and Technical Education Act of 2006 and it clarifies the membership and function of a co-curricular career and technical student organization. The definition in subpart 4e is necessary to clarify what student organizations offered by schools qualify as career and technical education student organizations to meet the expectations for providing leadership opportunities in career and technical education programs.

[For text of subps 6 to 9, see M.R.]

**Subp. 10. Cooperative center.** "Cooperative center" means two or more districts meeting all provisions of Minnesota statutes, which provide expanded educational options by sharing ~~vocational~~ career and technical programs which have been approved by the commissioner of education.

**Subp. 11. Employment related community-based education.** "Employment related community-based education" (coop experience) means instruction enabling students to prepare for their tentative career objectives or develop general employability skills through the coordination of ~~vocationally~~ career-related, in school instruction and supervised part time on the job training.

[For text of subps 12 and 13, see M.R.]

Subp. 14. **Essential licensed personnel.** "Essential licensed personnel" means staff assigned to approved ~~vocational career and technical~~ education programs who meet criteria for ~~vocational career and technical~~ education licensure stated in ~~vocational career and technical~~ rules of the ~~Department of Education~~ Board of Teaching and who have been issued the appropriate ~~vocational career and technical~~ license.

Minnesota Statutes section 124D.4531 specifies that "salaries paid to essential, licensed personnel providing direct instructional services" will be used in the calculation of a district's permissive levy for career and technical education. The change from the Department of Education to the Minnesota Board of Teaching in this subpart is necessary and reasonable because, while separating "essential licensed personnel" from the broader definition of "appropriately licensed staff" found in subpart 2a, it clarifies that career and technical education teacher licensure is governed by rules of the Minnesota Board of Teaching. Unlike appropriately licensed staff, essential licensed personnel must hold one of the series of teaching licenses identified as career and technical teaching licenses by the Minnesota Board of Teaching or must qualify for a waiver or variance allowed by the Minnesota Board of Teaching. Only salaries of essential licensed personnel may be used in the calculation of a district's career and technical education levy under Minnesota Statutes section 124D.4531.

Subp. 15. **Exploratory work experience.** "Exploratory work experience" means a school supervised ~~vocational career and technical~~ program designed to provide students with paid or unpaid work experience in a variety of occupations, to help the students identify job traits in relation to their abilities and characteristics and to assist them in making realistic and appropriate occupational choices.

Subp. 16. **Extended employment.** "Extended employment" means paid time when staff is employed beyond the regular school calendar, which is necessary for job placement and coordination, development of training plans and training agreements, equipment maintenance, supply procurement, inventory and storage, curriculum development, staff development, or ~~vocational career and technical~~ student organization activities.

[For text of subps 17 to 22, see M.R.]

Subp. 23. **Necessary equipment.** "Necessary equipment" means items of equipment that meet the criteria as defined in the Uniform Financial Accounting and Reporting ~~system~~ Standards (UFARS), and are identified by the local school district as essential to support the teaching of occupational competencies in approved ~~vocational career and technical~~ programs.



The term change from 'system' to 'standards' in subpart 23 is necessary and reasonable because the correct description of UFARS is the Uniform Financial Accounting and Reporting Standards, not system.

Subp. 24. **Nonexpendable personal property.** "Nonexpendable personal property" means tangible personal property having a useful life of more than one year and an acquisition cost of ~~\$300~~ \$500 or more, per unit.

Defining nonexpendable personal property (equipment) is necessary to distinguish this type of property from expendable property (supplies). Minnesota Statutes section 124D.4531 allows supply costs to be included in the calculation of a district's career and technical education levy, but does not include equipment costs in that calculation (even though equipment is an allowable expenditure using those funds). Minnesota's Uniform Financial Accounting and Reporting Standards (UFARS) distinguish between *Supplies and Materials* and *Capital Expenditures* using, in part, a \$500 threshold in making that determination. (See also Uniform Financial Accounting and Reporting Standards, Object Codes, Capital Expenditures.)

[For text of subps 25 to 27, see M.R.]

Subp. 28. **Postsecondary vocational career and technical education.** "Postsecondary ~~vocational~~ career and technical education" means ~~vocational~~ career and technical education for persons who have completed or left high school and who are enrolled in organized programs of study.

Subp. 29. ~~Prevocational~~ **Pre-career and technical** ~~prevocational~~ **education.** "Pre-career and technical ~~vocational~~ education" means programs, services, or activities designed to provide youth and adults with orientation, guidance, exploration, and instruction to assist them in making meaningful career decisions.

Subp. 29a. **Programs of study.** "Programs of study" are sets of aligned academic and technical courses that begin no later than grade 11 and preferably by grade 9, and continue through at least two years of college and culminate in a certificate, diploma, or degree. The elements of a program of study are:

A. competency based curricula tied to industry expectations and skills standards;

B. sequential course offerings that provide manageable 'stepping stones' of skill building, including high school graduation and postsecondary education completion;

C. flexible course and program formats convenient for various learner segments;

D. course portability for seamless progression; and

E. connections among high school and postsecondary education, skill progression, and career opportunities that align academic credentials with job advancement in high-skill, high-wage or high-demand occupations.

The federal Carl D. Perkins Career and Technical Education Act of 2006 introduced a new concept into career and technical education, "programs of study," and directed states to ensure that each recipient of funds under that Act implement at least one program of study. Programs of study were incorporated into the Perkins Act in part to encourage greater collaboration between secondary and postsecondary providers of career and technical education programs, to promote credit transfer for students who have begun work in high school in a program that will continue into postsecondary education and to build working relationships among career and technical educators and their academic colleagues. Adding a definition of 'programs of study' is necessary because it clarifies for school districts and colleges the essential components expected under the Perkins Act. The addition of this definition is reasonable because it is consistent with other initiatives of the Minnesota Department of Education that promote opportunities for students to begin postsecondary education programs while in high school.

Subp. 30. **Secondary vocational career and technical course.** "Secondary ~~veational~~ career and technical course" means one or more components of a secondary ~~veational~~ career and technical instructional program.

Subp. 31. **Secondary vocational career and technical education.** "Secondary ~~veational~~ career and technical education" means programs for grades ~~10 to 9~~ 9 through 12 that meet the requirements of part 3505.2500, items A to C, and work experience/career exploration programs.

Because of their links to postsecondary education, secondary career and technical education programs are designed to be high school programs, while pre-career and technical programs (see Subpart 29 above), often occurring at the junior high or middle school level, are where students learn technical skills that will allow them to be successful in their career and technical coursework.

In 2007-2008, 289 secondary schools reported serving students in grades 7 through 12, 300 secondary schools reported serving students in grades 9 through 12, and 89 secondary schools reported serving students in grades 10 through 12. Due to differences in how districts organize their schools by grade, some districts are confused about whether it is appropriate to allow students in grade 9 to participate in senior high school programs. The proposed change from grade 10 to grade 9 is necessary and reasonable because it addresses this confusion. It also recognizes that career and technical education programs begin in high school, it reflects that the decisions about whether a

student may participate in career and technical education should be based on the individual student's readiness, not arbitrarily set by the grade in which a student is placed.

Subp. 31a. **Secondary career and technical teacher full-time equivalent (FTE).** "Secondary career and technical teacher full-time equivalent (FTE)" means a licensed career and technical teacher who teaches the equivalent of six hours per day for 175 days per year within an approved career and technical education program.

The term change discussed above resulted in this definition being moved within the definitions section to be in proper alphabetical order. The addition of the abbreviation 'FTE' is reasonable and necessary to add clarity to the definition since many Minnesota school districts use FTE, rather than the complete term 'full-time equivalent,' to identify staffing distribution among elementary and secondary school buildings.

[For text of subps 32 to 33, see M.R.]

Subp. 34. **Student staff ratio.** "Student staff ratio" means the relationship between the number of FTE students and the number of FTE teachers in each approved ~~vocational~~ career and technical program.

Subp. 35. **Students with special needs.** "Students with special needs" means students ~~who are disabled with disabilities~~ or students who are disadvantaged.

A. ~~Students identified as disabled with disabilities~~ are defined in Minnesota Statutes, section 125A.02 and ~~cannot~~ are more likely to succeed in regular ~~vocational~~ career and technical programs with additional supports as specified in the students' individual educational program (IEP).

B. ~~Disadvantaged students~~ are those who have academic or economic disadvantages and require special programs, modified programs or supportive services to assist them ~~in succeeding to succeed~~ in a ~~vocational~~ career and technical education program.

(1) ~~Students with academic and economic disadvantages~~ An academically disadvantaged student may lack reading, writing, and mathematic skills, and perform below grade level. A student is academically disadvantaged by meeting one or more of the criteria of the graduation incentives program under Minnesota Statutes, section 124D.68, subdivision 2.

(2) An economically disadvantaged student is one for whom the family income is at or below national poverty level, the student or the student's parents or guardian is unemployed, the student or the student's parents are recipients of public assistance, or the student is institutionalized or under the state's guardianship. A student is economically disadvantaged if the student qualifies for free or reduced price meals under the Richard B. Russell National School Lunch Act.

Minnesota has used the term "special needs" to specify three groups of students: students with disabilities (using criteria in Minn. Stat. § 125A.02 – Child With A Disability Defined), students who are educationally disadvantaged (using criteria of eligible pupils under Minnesota Statutes section 124D.68-Graduation Incentives Program) and students who are economically disadvantaged (using eligibility criteria for free or reduced price meals or US Census poverty statistics). There has been some confusion between the state's definition of "special needs" and the federal definition of "special populations." The federal Perkins legislation defines six "special populations" of career and technical education students: (1) individuals with disabilities; (2) individuals from economically disadvantaged families, including foster children; (3) individuals preparing for nontraditional [by gender] training and employment; (4) single parents, including single pregnant women; (5) displaced homemakers; and (6) individuals with limited English proficiency. It is an expectation that recipients of federal Perkins funds provide supports to members of these special populations so that they can be successful in the career and technical education programs that lead all students to high skill, high wage or high demand employment. Where the state and federal definitions overlap, supports can be provided using either state or federal resources. Thus, it is necessary to clearly define these three groups of students to ensure supports can be provided using the appropriate funds.

Career and technical education has been found to be an effective instructional tool for many students, especially those who are challenged by a more traditional classroom structure. When learning barriers become quite significant, special interventions may be needed to enable a student to be successful in her/his career and technical education pursuits. Students with significant learning barriers are referred to as students with special needs and are generally classified in one or more of three categories: students with disabilities, academically disadvantaged students and economically disadvantaged students. This subpart reorganization is necessary because it defines the broad range of students with special needs so that school districts can better determine when special programs or interventions are needed and whether or not special resources might be triggered to assist with these special programs or services.

The portion of subpart 35 dealing with students with disabilities has been modified to show that some students with disabilities (as defined by Minn. Stat. § 125A.02) may be successful in career and technical education without specific interventions while others might need specific supports to increase their chances of success in the program, and that if such supports are necessary they should be specified in the individual educational program (IEP) for each affected student with a disability.

The portion of subpart 35 dealing with disadvantaged students has been separated into academically disadvantaged students and economically disadvantaged students. This change is reasonable because although types of supports provided to disadvantaged students might be similar for these two classifications, it is becoming more common in federal laws to provide funding for programs that

support economically disadvantaged individuals but not similarly to programs for academically disadvantaged students.

The authentic, hands-on nature of career and technical education has been found to be an effective instructional model for students who have difficulty with traditional classroom instruction (see the National Research Center for Career & Technical Education at <http://nccte.org/>). Because of this, special resources have been made available for career and technical education programs that have been designed for students with special needs, notably transition-disabled funding for programs for students with disabilities, and a program approval process for separate work-based learning programs for disadvantaged students. To provide staffing flexibility to Minnesota school districts, the state has allowed districts to operate combined career and technical education programs for students with disabilities and students who are disadvantaged, and to access funding mechanisms prorated on the basis of services provided to these separate populations. Such flexibility is necessary since districts should only provide career and technical education programs for students with special needs when there is evidence that such special intervention is necessary for students to be successful in their career and technical education pursuits but is reasonable because, by allowing combined programs, districts with small numbers of students in separate special needs categories may combine services to those students in a more cost-effective manner.

Subp. 36. **Support service.** "Support service" means noninstructional activities, services, and functions carried out to aid and improve the quality of ~~vocational~~ career and technical education programs.

Subp. 37. [See repealer.]

[For text of subps 38 to 42, see M.R.]

Subp. 43. [See repealer.]

Subp. 44. [Repealed, 12 SR 2746]

Subp. 45. [See repealer.]

Subp. 46. [See repealer.]

Subp. 47. [See repealer.]

Subp. 48. [See repealer.]

### **3505.1100 STANDARDS FOR PROGRAM APPROVAL.**

Written application for the approval of ~~vocational~~ career and technical programs by local education agencies shall be made to the commissioner of education. The commissioner's approval to establish ~~vocational~~ career and technical programs shall be conditioned on meeting the following minimum standards:-:

A. all programs shall be assigned vocationally appropriately licensed instructional staff as specified in the state plan for ~~vocational-technical~~ career and technical education-;

B. sufficient and suitable facilities including laboratories, shops, classrooms, equipment, supplies, and adequate storage for the course to be offered shall be provided-;

C. class size conducive to efficient teaching and not exceeding the number which the space and equipment will safely accommodate ~~effectively shall be maintained-;~~

D. programs shall comply with federal and/or state civil rights laws, labor laws, and wage and hour statutes where applicable-; and

E. school districts and centers shall maintain accounting and reporting records according to a Uniform Financial Accounting and Reporting System Standards (UFARS) and all such records shall be available to the Department of Education.

The term change from 'system' to 'standards' in 3505.1100, subitem E is necessary and reasonable because the correct description of UFARS is the Uniform Financial Accounting and Reporting Standards, not system.

Action by the 1993 Minnesota Legislature transferred licensure authority for vocational education licenses to the Board of Teaching and separate vocational licenses were no longer granted. Thus, it is necessary to change the reference in item A from "vocationally licensed staff" to "appropriately licensed staff" (see 3505.1000, Subpart 2a).

The use of equipment and the hands-on nature of instruction in secondary career and technical education programs mean that attention is necessary to ensure that the instructional facility is designed to promote effective learning. However, no standard exists to determine when a facility would allow instruction to be either effective or efficient since this determination is made by considering many factors beyond the facility itself. Safety, on the other hand, is a concept related to career and technical education programming that has standards developed, particularly those of the Occupational Safety and Health Administration (OSHA) at the US Department of Labor. Thus, the proposed language change in item C from "accommodate effectively" to "safely accommodate" is reasonable because it removes reference to instructional effectiveness and inserts reference to safety as a concept that can be more clearly defined for the purpose of program approval.

A student shall not be denied access to vocational career and technical education programs because of disability or disadvantaged status. A person with special needs shall be defined as disabled or disadvantaged to be eligible for enrollment in special needs vocational career and technical education programs. Special needs vocational career and technical programs for students with disabilities (transition-disabled programs) shall be eligible for aid assistance. The

authorized local administrator shall be responsible for coordinating ~~vocational~~ career and technical education programs with ~~Comprehensive Employment Training Act Sponsors~~ youth programs conducted under the Workforce Investment Act. Programs shall also meet appropriate level (secondary, postsecondary, or adult) criteria designated ~~by these rules~~ in parts 3505.1000 to 3505.5900.

Legislative changes in 1999 replaced state categorical aid for regular career and technical education with a permissive local levy, but retained a categorical aid for career and technical education programs specifically designed for students with disabilities (transition-disabled programs) under Minnesota Statute 124D.454. Prior to 1999, career and technical education programs for disadvantaged students, another category of special needs students (see M.R. 3505.1000, Subpart 35) had been eligible for aid. The 1999 legislative change considered career and technical education programs for disadvantaged students "regular" career and technical education programs eligible for assistance under the newly established career and technical levy rather than under the aid formula in Minnesota Statute 124D.454. The addition of language, "for students with disabilities (transition-disabled programs)" is reasonable and necessary to reflect the separation of revenue for the two types of career and technical education special needs programs: those under Minnesota Statute 124D.4531 which qualify for assistance under the career and technical education levy, and those under Minnesota Statute 124D.454 which qualify for aid assistance.

The Comprehensive Employment and Training Act (CETA) was federal workforce development legislation enacted by Congress in 1973 (P.L. 93-203). CETA was replaced by the federal Job Training Partnership Act (JTPA) in 1982 (P.L. 93-300), which was further repealed with enactment of the federal Workforce Investment Act (WIA) in 1998 (P.L. 103-220). There are cross-references in both the Carl D. Perkins Career and Technical Education Act of 2006 and the Workforce Investment Act of 1998 that require at least a cursory understanding of WIA by career and technical education administrators, but WIA no longer makes reference to prime sponsors. The proposed change from "Comprehensive Employment and Training Act prime sponsors" to "Workforce Investment Act" is necessary because it updates the rules to reference current law while also recognizing the need for administrators of career and technical education programs to have some knowledge of the federal workforce initiatives.

### **3505.1150 AWARDING SCIENCE, MATHEMATICS OR ARTS CREDITS THROUGH CAREER AND TECHNICAL EDUCATION.**

Subpart 1. Ability to grant credit. A school district may grant a science, mathematics, or arts credit to a student who meets appropriate standards as part of a career and technical education program when:

A. the school board concludes that the standards will be delivered with integrity in the career and technical education program; and

B. the career and technical education teacher meets subject matter competence for the core academic subject as identified in Minnesota Statutes, section 122A.16.

Subpart 2. Guidelines for granting credit. For the purpose of Minnesota Statutes, section 120B.024 paragraph (c), districts electing to offer science, mathematics, or arts credits for participation in career and technical education may consider granting credit when the following three criteria are met:

A. the instructor is appropriately licensed under part 3505.1000 and is not operating under a waiver or variance from the Board of Teaching;

B. the instructor has successfully passed the Subject Assessment and Specialty Area Test required for Minnesota licensure in the science, mathematics or arts area for which credit is to be granted; and

C. the district has identified the academic standards that will be met through participation in the career and technical education program.

Action by the 2007 Minnesota Legislature modified Minn. Stat. § 120B.024 to allow science, mathematics or arts credits to be granted through participation in career and technical education. The statute makes no reference to academic standards or teacher qualifications. School districts have sought advice from the Department regarding how to implement this provision in the statute.

The Department's position has been that a school district has the latitude to assign academic standards across the curriculum as long as the district (board) agrees that the standards will be met with integrity. Separate amendments to Minn. Stat. § 120B.024 from 2004 and 2006 made specific reference to business education (for economics) and agriculture (for economics and for science other than biology), and there is some evidence that specific mention of these exceptions in statute have sent the message to school districts that these are the only allowable exceptions.

Separate federal regulations from the No Child Left Behind legislation (United States Code, title 20, section 7801(23)) require the use of highly qualified teachers to deliver core academic subjects in Minnesota schools. Core academic subjects are defined in No Child Left Behind as English, reading or language arts, mathematics, science, foreign languages, civics and government, economics, arts, history and geography. Since career and technical education is not considered a "core academic" subject, there are no specific provisions for highly qualified career and technical education teachers, but communications from the Department of Education have consistently stated that, absent any other guidance, for a career and technical education teacher to deliver academic standards for credit, those teachers would have to be highly qualified in the core academic subject.

The definition in No Child Left Behind of a highly qualified (HQ) secondary teacher of core academics is based on a three-part test:



1. fully licensed
2. bachelor's degree
3. subject matter competence.

A broad interpretation would state that "fully licensed" means the individual has met requirements of the state beyond any waiver, temporary license, variance, etc. A narrow interpretation would say the individual has to be fully licensed in the core academic subject. A broad interpretation would recognize any bachelor's degree, while a narrow interpretation would only recognize a baccalaureate degree in a field of education.

No Child Left Behind (NCLB) relies on a series of options for demonstrating a high level of competency in each of the academic subjects in which the teacher teaches:

- a. passing a rigorous State academic subject test in each of the academic subjects in which the teacher teaches (which may consist of a passing level of performance on a State-required certification or licensing test or tests in each of the academic subjects in which the teacher teaches); or
- b. successful completion, in each of the academic subjects in which the teacher teaches, of an academic major, a graduate degree, coursework equivalent to an undergraduate academic major, or advanced certification or credentialing.

Minnesota uses the Praxis II test to assess subject area competence for individuals who have not completed a major or advanced degree (or equivalent) in the subject, but there are core academic subjects for which no Praxis II test is available.

Specifically in reference to the delivery of art credits, Minnesota recognizes separate art standards in five areas at the high school level: dance, music, theater, visual arts, and media arts. However, for the purposes of NCLB, Minnesota has stated that only dance and music must rely on highly qualified teachers. Additionally, Minnesota licensure rules exist in only four of the five arts areas: dance, music, theater, and visual arts. The Department has given great latitude to school districts to deliver media arts under any license the district deems appropriate. Common examples include teachers of web design, photography, wood or metalworking with an artistic intent, etc.

The intent of Minn. Stat. § 120B.024 (c) is to communicate to school districts that they have latitude to place standards across the curriculum. While it is laudable to provide this flexibility, there is still confusion because of the balance among credits, standards and licensure (HQ). During the winter and spring of 2008 this issue was discussed with the Education Action Committee of the Governor's Workforce Development Council (GWDC) and with the Licensure Committee of the Minnesota Association of Career and Technical Administrators (MACTA). The GWDC Education Action Committee forwarded a recommendation to the full Council recommending that the Department of Education provide guidance to school districts on this issue. The MACTA Licensure Committee recommended at its April 24, 2008, meeting that the issue be clarified in Minnesota Rules Chapter 3505 and that career and technical education teachers be allowed to grant academic credits in mathematics, science and the arts when the instructor is fully licensed as a career and technical education teacher, the instructor passes the subject matter test in the academic subject (Praxis II), and the instructor identifies the academic standards that are to be integrated into the career and technical education program.

The addition of 3505.1150 is necessary and reasonable because it brings clarity to school districts regarding when they may award science, mathematics, or arts credits in career and technical education while still allowing school districts the latitude to decide whether they wish to do so.

### **3505.1200 OPPORTUNITY TO APPEAL.**

Districts or centers whose ~~vocational~~ career and technical programs or courses have been disapproved by the commissioner of education may appeal in writing to the commissioner of education for ~~submission to the State Board of Education and are entitled to a review at a regular or special board meeting. The State Board of Education will notify the districts or centers of the time and place of the review in writing~~ reconsideration. Upon completion of the review, the decision of the ~~State Board of Education~~ commissioner and the reasons for the decision will be made in writing and transmitted to the local education agency. The decision of the ~~State Board of Education~~ commissioner shall be the final state action.

The removal of any reference to the State Board of Education is necessary because the 1999 Minnesota Legislature eliminated the State Board of Education and transferred the duties of the State Board of Education to the Commissioner (Minnesota Session Laws 1999, Chapter 241, Article 9, Section 52). This action eliminated the body designated in Minnesota Rule 3505.1200 as the final arbiter in decisions pertaining to the approval of career and technical education. The proposal to insert the term "reconsideration" is reasonable because it gives a school district a second opportunity to state its case if denied approval of a career and technical education program while retaining the authority for the final decision in the office of the commissioner.

### **3505.1300 EVALUATION BY STATE BOARD FOR VOCATIONAL EDUCATION OF TRUSTEES OF THE MINNESOTA STATE COLLEGES AND UNIVERSITIES.**

The ~~Division of Vocational-Technical Education~~ Board of Trustees of the Minnesota State Colleges and Universities will evaluate, in quantitative terms, the effectiveness of each formally organized program or project supported by federal, state, and local funds. The local education agency shall supply, upon request, the data necessary to make the evaluations. These evaluations shall be in terms of:

A. planning and operational processes, such as:

- (1) quality and availability of instructional offerings;
- (2) guidance, counseling and placement, and follow-up services;

(3) capacity and condition of facilities and equipment;

(4) employer participation in cooperative programs of ~~vocational~~ career and technical education;

(5) teacher/pupil ratios; and

(6) teacher qualifications;

[For text of item B, see M.R.]

C. results of student employment success as measured, for example, by rates of employment and unemployment, wage rates, duration of employment, and employer satisfaction with performance of ~~vocational~~ career and technical education students as compared with performance of persons who have not had ~~vocational~~ career and technical education;

[For text of item D, see M.R.]

Prior to 1991, responsibility for postsecondary career and technical (vocational) education programs resided in local school district boards of education or, in the case of the three intermediate school districts, with the intermediate school district boards. Guidance was provided to local career and technical education programs at the secondary, postsecondary and adult levels through a committee of the State Board of Education called the State Board for Vocational Education. In 1991, however, the Minnesota Legislature implemented a process for merging the state's public 2-year and 4-year colleges (other than the University of Minnesota which operated independently under the state constitution) into a single higher education system. The Minnesota Higher Education Board was established by the 1991 Legislature (Minnesota Session Laws 1991, Chapter 356, Article 9, Section 2) to replace the separate boards in existence for the state's technical colleges, community colleges and state universities. The three separate higher education boards retained their own operating authority through July 1, 1995, when that authority was transferred to the Board of Trustees for the Minnesota State Colleges and Universities (Minnesota Session Laws 1995, Chapter 212, Article 4, Section 1).

The Board of Trustees of the Minnesota State Colleges and Universities is designated as the sole state agency to receive and disburse federal funds under the Carl D. Perkins Career and Technical Education Act (Minn. Stat. § 136F.79) and identifies the state director for career and technical education in Minnesota. The Board of Trustees is obligated to develop the Minnesota State Plan for Career and Technical Education and to do so under terms of agreement with the Minnesota Department of Education. This language shows that, while authority for the State Plan for Career and Technical Education is vested in the Board of Trustees of the Minnesota State Colleges and Universities, the Department of Education must be an active participant in developing the State Plan to address the operation of career and technical education programs at both the secondary and postsecondary levels. The State Plan specifies, in part, how Minnesota's career and technical education programs will operate and how they will be evaluated to ensure program quality.

Reference in this rule to federal, state and local funds, however, shows that even though the State Plan for Career and Technical Education is developed to meet requirements of the federal Perkins Act, the Plan is not only to specify the use of federal funds for career and technical education but is to govern all career and technical education programs in the state at the secondary, postsecondary and adult levels.

Thus, it is necessary and reasonable to modify the title and initial paragraph of this rule to reflect the legislative action in assigning responsibility for career and technical education to the Board of Trustees of the Minnesota State Colleges and Universities, and that the oversight responsibility for evaluation of all career and technical education programs rightly rests with the Board of Trustees of the Minnesota State Colleges and Universities because issues pertaining to secondary career and technical education are addressed by the Department of Education through development of the State Plan.

### **3505.1400 LOCAL ADVISORY COMMITTEE.**

Subpart 1. **Establishment of local advisory committee.** Each eligible recipient local education agency or postsecondary educational institution which receives federal assistance shall establish a local advisory committee on vocational career and technical education. The local advisory committee may be established for schools, the community, or the region in which the eligible recipient is located.

The local advisory committee shall be composed of representatives of the general public including representatives of directly related business, industry, and labor.

Representatives from several program committees, or representatives of several school committees within a local education agency, having the requisite representation in the above paragraph, may join together to form a general local advisory committee.

Subp. 2. **Duties of local advisory committee.** The local advisory committee shall advise the eligible recipient on the current job needs and the relevance of programs (courses) being offered by the local education agency or postsecondary educational institution in meeting current job needs. The local advisory committee shall assist the eligible recipient in developing its application to the State Board for Vocational Education for funds.

The Minnesota Legislature eliminated the State Board for Vocational Education and transferred its authority to the Board of Trustees of the Minnesota State Colleges and Universities (see rationale under Rule 3505.1300 above). However, the Minnesota State Plan for Career and Technical Education assigns responsibility for operation of postsecondary career and technical education

programs to the Minnesota State Colleges and Universities Office of the Chancellor, and responsibility for secondary career and technical education programs to the Minnesota Department of Education. The deletion of specific reference to the State Board for Vocational Education is necessary because it reflects the reassignment of responsibility to the Board of Trustees of the Minnesota State Colleges and Universities while also recognizing the division of responsibility for secondary and postsecondary programs to the two administrative entities identified in the State Plan. The addition of language pertaining to program approval is reasonable because it reflects the programmatic responsibility of the advisory committee.

### **3505.1500 CENTER APPROVAL.**

Commissioner of education approval is necessary if a cooperative center is to be eligible for secondary ~~category~~ vocational career and technical aid revenue or other aid available to approved cooperative centers. The superintendent representing a district school board or a center governing board may submit a request to the commissioner of education for approval by the commissioner when the following criteria have been met.

Vocational Career and technical programs shall be shared by one of the following methods: two or more Minnesota school districts operating a cooperative center having met provisions of applicable Minnesota Statutes, or intermediate school districts established by the legislature to serve two or more independent school districts.

A licensed secondary vocational career and technical administrator or the superintendent for a district shall be responsible for the vocational career and technical programs.

The term change from 'aid' to 'revenue' is necessary and reasonable because legislative changes in 1999 replaced state categorical aid for regular career and technical education with a permissive local levy and specified that the proceeds of that levy may only be used for career and technical education programs.

### **3505.1600 LOCAL APPLICATIONS FOR AID CAREER AND TECHNICAL EDUCATION REVENUE.**

To be eligible for aid revenue, the local education agency shall submit the following to the commissioner of education:

A. assurances of compliances, signed by the authorized local administrator ~~and the local state board representative~~;

B. local labor market information on employee demand which is supplemental to data available from the state;

C. an approved evaluation document which reports secondary and postsecondary program output ~~by completion and by entry into an occupation;~~

D. information concerning enrollments; enrollments and costs of current programs in the fiscal year indicating the expansion of present programs and new program plans; enrollments and costs for services to special needs programs.

~~Any income derived from the sale of products or services derived from the operation of a vocational program shall reduce the state's obligation for such program by the amount of income in excess of the cost of production.~~

~~When instructional and support services and facilities are funded by other sources, except adult vocational tuition, the funded amount shall be included in the budget and shall reduce the state's obligation in the request for aids.~~

The term change from 'aid' to 'revenue' is necessary and reasonable because legislative changes in 1999 replaced state categorical aid for regular career and technical education with a permissive local levy and specified that the proceeds of that levy may only be used for career and technical education programs.

The deletion in part A of language referring to the local representative to the state board of education is reasonable and necessary since the Minnesota State Board of Education was eliminated by the 1999 Minnesota Legislature (Minnesota Session Laws 1999, Chapter 241 [HF 2333], Article 9, Section 52). The purpose of a state board of education signature on this compliance document is unknown. Some believe the language was inserted at the time of rapid expansion in career and technical education centers when members of the state board of education, selected in part by their residence in one of the state's Congressional districts, took an active role in center development. Consultation occurred with a retired member of the Minnesota Association of Career and Technical Administrators who, even though director of the state's first vocational cooperative center was unable to recall any program approvals requiring signature of a member of the state board of education.

The deletion of language referring to program completion and entry into employment is reasonable and necessary because evaluation of career and technical education programs under the Career and Technical Education Program Quality Assessment Rubrics is based on more factors than completion and occupational entry. The Minnesota Department of Education modified its program approval process in 2004 and released its Program Quality Assessment Rubrics as a self-assessment tool used by school districts to move their career and technical education programs from minimum standards to quality. The Program Quality Assessment Rubrics identify 25 different factors that contribute to career and technical education quality. Districts are to assess their own programs

against these 25 factors, and must meet minimum standards in each factor to be state-approved. Because these factors go well beyond program completion and occupational entry reference to these two indicators is deleted from part C above.

Prior to 2001 when regular secondary career and technical education programs were supported by state categorical aid, school districts were required to report net income from the sale of student-produced products. This income was then deducted from the state categorical aid payments to the district. The 1999 Legislature eliminated the categorical aid payments for secondary career and technical education and replaced that aid with a local permissive levy (Minnesota Session Laws 1999, Chapter 241, Article 3, Section 5). No guidance was provided during this change regarding the intent of the legislature to reduce a district's local levy authority on the basis of income derived from student work. On one hand, the intent of the original language seemed to discourage any practice on the part of local school districts to view student work through career and technical education as a revenue stream for the school district, and to suggest that any income would be used first to offset costs within the career and technical education program. Making a deduction against state aids provided to a local district supports the position that a school district should not select student work for its revenue-generating ability. On the other hand, eliminating state categorical aid and replacing it with an unduplicated local permissive levy (no state aid will supplement a local levy when the ability to generate levy revenue is limited) suggests that the role of the state in funding secondary career and technical education has been reduced, deferring to local school districts to determine appropriate expenditures based, to a great extent, on the local ability to provide support. With no categorical aid to reduce, the state would be either placed in the position of reducing other aids to a school district or allowing the local district latitude to use the revenue of student work as it deemed appropriate.

In recent years, no school district has reported net income from the sale of student-produced work in its career and technical education programs. Based on this, the Program Finance Director at the Department of Education was consulted and he supported elimination of the language in this rule that would reduce state aid payments to a school district because of net income through the sale of student work in career and technical education. The Minnesota Association of Career and Technical Administrators similarly supported elimination of this language. It is, therefore, reasonable and necessary to delete language pertaining to a reduction in the state's obligation for career and technical education program support on the basis of revenue from the sale of student-produced work.

The Legislature modified support for regular career and technical education programs in 1999 and replaced a state categorical aid system with a local permissive levy (see Minn. Stat. § 124D.4531). A data collection system was established by the Department to collect necessary information for the calculation of a district's levy authority under Minn. Stat. § 124D.4531 that no longer requires the separate reporting of other revenues. It is reasonable and appropriate, then, to delete language pertaining to other sources of revenue for instructional and support services and facilities.

### **3505.1700 ALLOTMENT AVAILABILITY OF FEDERAL FUNDS.**

A cooperative agreement between the commissioner of education and Minnesota State Colleges and Universities will annually provide for the distribution of federal funds between

secondary and postsecondary ~~vocational~~ career and technical programs.

Distribution to local education agencies must be determined by state and federal law.

**3505.1900 SUBMISSION OF WRITTEN PLANS; USE OF MATCHING FUNDS.**

Written plans for the use of federal and state appropriated matching funds shall be submitted to the commissioner of education by eligible agencies or institutions conducting ~~vocational~~ career and technical education programs. Claims for expenditures available for aid may be submitted to the commissioner of education requesting reimbursement upon funds already expended. Recommendations regarding payment shall be made by the commissioner of education.

**3505.2000 APPORTIONING FUNDS.**

In apportioning funds among local education agencies, the commissioner of education shall assure that no local education agency which is making a reasonable tax effort shall be denied funds for establishing new ~~vocational~~ career and technical programs solely because it is unable to pay the nonfederal share of the cost of the programs.

[For text of Subpart 3505.2100 see M.R.]

**3505.2200 STANDARDS AND PROCEDURES GOVERNING OWNERSHIP.**

This part lists standards and procedures governing ownership, use, and disposition of nonexpendable personal property purchased in whole or in part with state or federal funds. Title must not be taken by the commissioner of education but must be vested in the local education agency subject to the following restrictions on use and disposition of the property:

A. Nonexpendable personal property with an acquisition cost of less than \$500 and used four years or more: the local education agency may divert the property to any approved ~~vocational~~ career and technical program, ~~vocational~~ career and technical administration, or support service or sell the property and retain the proceeds for ~~vocational~~ career and technical education programs.

B. All other nonexpendable personal property with an acquisition cost of \$1,000 or less: the local education agency



may use the property for its intended ~~vocational~~ career and technical purpose. If approved ~~vocational~~ career and technical use of the property is discontinued or the property is sold or diverted in some other manner, the commissioner of education is to be credited with its proportionate share of the current fair market value of the property. The current fair market value shall be determined by the sale price in the case of a bona fide sale or by a third party appraisal in the case of some other diversion. The commissioner of education's proportionate share of the property shall be computed by applying the percentage of state funding participation in the property to the current fair market value of the property.

C. Nonexpendable personal property with an acquisition cost of over \$1,000: if the property is not needed for its intended ~~vocational~~ career and technical purpose, the local education agency shall request disposition instructions from the commissioner of education. If instructions are not received within 120 days, the local education agency may dispose of the property at its discretion.

A physical inventory of nonexpendable personal property shall be taken by the local education agency and the results reconciled with the local education agency property records at least once every two years to verify the existence, current use, and continued need for the property. Property records shall be retained for three years after final disposition of the property. The commissioner of education or an authorized representative shall have access to any pertinent property records for the purpose of making examinations.

In addition, when personal property is purchased in whole or in part with federal funds furnished by the commissioner of education, the local education agency shall comply with the appropriate federal regulations regarding standards and procedures governing ownership, use, and disposition of personal property.

### **3505.2300 STUDENT ELIGIBILITY FOR PROGRAMS.**

All students shall be eligible for enrollment in ~~vocational~~ career and technical education programs regardless of race, color, creed, religion, sex, national origin, marital status, age, or status with regard to public assistance or disability providing that no federal or state statute or rule specifically provides for valid exclusions for such things as

health conditions, age, or certain physical conditions.

### **3505.2400 SCOPE.**

To be eligible for aid career and technical revenue, local education agencies shall meet the requirements in parts 3505.2400 to 3505.5900.

Approval requests shall be submitted annually by the local education agency to the commissioner of education. Only approved programs shall be eligible for ~~vocational aid~~ career and technical revenue. Local education agencies submitting new program approval or alteration requests shall be notified in writing regarding approval, disapproval, recommended alteration, or delay of action within 20 working days after receipt of the request. When the program is disapproved or recommended for alteration, the notification shall include reasons for denial or changes. When applicable, the notice shall outline corrective actions for the program to qualify for approval upon resubmission. Approved programs and administrative services shall be supervised by the authorized local administrator. The local education agency shall resubmit each approved program for evaluation by the commissioner of education at least once every five years.

The term change from 'aid' to 'revenue' is necessary and reasonable because legislative changes in 1999 replaced state categorical aid for regular career and technical education with a permissive local levy and specified that the proceeds of that levy may only be used for career and technical education programs.

### **3505.2500 INSTRUCTIONAL PROGRAM APPROVAL.**

The commissioner of education shall approve programs on the following basis. Approval shall be on the basis of a complete program as defined in ~~parts 3505.2600 to 3505.4100~~ career and technical education program quality assessment rubrics. The local education agency shall provide evidence that its curriculum is designed to meet ~~vocational~~ career and technical objectives which shall include:

[For text of items A and B, see M.R.]

C. development of occupational competencies necessary to enter an occupation.

Each program shall have a ~~vocational~~ career and technical program advisory committee to advise the teacher, the local

authorized administrator, and the local board; the advisory committee shall meet at least two times a year.

The 1993 Minnesota Legislature repealed many rules pertaining to the operation of education programs in Minnesota, including specific program rules for many of the career and technical education disciplines in Minnesota Rules 3505.2700 through 3505.4100 (Minnesota Session Laws 1993, Chapter 224, Article 12, Sec. 39). The Department of Education, in reviewing its program approval process in 2001, established standards for state approval of career and technical education programs that set minimum requirements and also identified quality in each of 25 different topics. These topics were set into the Career and Technical Education Program Quality Assessment Rubrics and shared with practitioners throughout the state. The rubrics have been used as a monitored self-assessment tool for approving career and technical education programs since 2003.

The development of a program approval rubric addressed multiple issues. First, a rubric helped to define multiple elements necessary to operate career and technical education programs – much more than curriculum and instruction, career and technical education programs rely on community involvement, licensed personnel who often receive their technical understandings through employment or other nontraditional means, support from school administration that understands the use of the community as a learning venue, self-assessment and program design processes that keep the career and technical education program current with changes in business and industry, resources in terms of both supplies and equipment not usually found in classroom settings, and supports for students for whom traditional learning methodology has been found to be less than effective. Second, a rubric helped identify not only minimum standards for program approval but quality standards toward which programs should strive. And third, the rubric was developed in anticipation of requirements for the use of federal career and technical education funds under the Carl D. Perkins Act to reward quality and sanction underperformance.

This change in reference from the repealed Minnesota Rules to the Career and Technical Education Program Quality Assessment Rubric is reasonable and necessary because it clarifies the source of information pertaining to the requirements for career and technical education program approval.

The addition of the word “program” to the advisory committee reference distinguishes between the program advisory committee as defined in Minnesota Rules 3505.1000 Subpart 4d and the general advisory committee as specified in Minnesota Rules 3505.1400. Such distinction is reasonable and necessary to clarify that it is a requirement that each career and technical education program have a committee to address the particular components of that program, and that such committee is distinct from the general advisory committee that provides guidance to a school district about its overall career and technical education offerings.

#### **3505.2600 PROGRAM COMPONENTS AND ~~TIME STANDARDS.~~**

All program components and learner outcomes for specific program areas as specified in ~~parts 3505.2700 to 3505.4100~~ career and technical education program quality assessment rubrics must be addressed to qualify for approval; however, emphasis shall be at the discretion of the local education agency with guidance from the program advisory committee.

The 1993 Minnesota Legislature repealed many rules pertaining to the operation of education programs in Minnesota, including time standards for career and technical education programs and specific program rules for many of the career and technical education disciplines in Minnesota Rules 3505.2700 through 3505.4100 (Minnesota Session Laws 1993, Chapter 224, Article 12, Sec. 39). The Department of Education, in reviewing its program approval process in 2001, established standards for state approval of career and technical education programs that set minimum requirements and also identified quality in each of 25 different topics. These topics were set into the Career and Technical Education Program Quality Assessment Rubrics and shared with practitioners throughout the state. The rubrics have been used as a monitored self-assessment tool for approving career and technical education programs since 2003.

The development of a program approval rubric addressed multiple issues. First, a rubric helped to define multiple elements necessary to operate career and technical education programs – much more than curriculum and instruction, career and technical education programs rely on community involvement, licensed personnel who often receive their technical understandings through employment or other nontraditional means, support from school administration that understands the use of the community as a learning venue, self-assessment and program design processes that keep the career and technical education program current with changes in business and industry, resources in terms of both supplies and equipment not usually found in classroom settings, and supports for students for whom traditional learning methodology has been found to be less than effective. Second, a rubric helped identify not only minimum standards for program approval but quality standards toward which programs should strive. And third, the rubric was developed in anticipation of requirements for the use of federal career and technical education funds under the Carl D. Perkins Act to reward quality and sanction underperformance.

Changing the reference from the repealed Minnesota Rules 3505.2700 to 3505.4100 to the Career and Technical Education Program Quality Assessment Rubric is reasonable because it clarifies that the source of information pertaining to the requirements for career and technical education program approval is the Career and Technical Education Program Quality Assessment Rubrics. The change is necessary because it sets out that program approval will be based on meeting minimum qualifications in all elements of the Career and Technical Education Program Quality Assessment Rubrics and clarifies that emphasis toward the various topics within the rubrics may be determined locally.

Deletion of reference to time standards for the operation of career and technical education programs in the title of this section is reasonable and necessary because time standards were repealed by the Minnesota Legislature in 1993 (Minnesota Session Laws 1993, Chapter 224, Article 12, Sec. 39). There is no intent to reinstate such time standards in this rulemaking process. It is true that alignment of career and technical education programs in Minnesota high schools with continuing programming in the state's technical and community colleges is an expectation under the Minnesota State Plan for Career and Technical Education, so local districts will need to examine secondary career and technical education offerings in light of how the secondary program contributes to a program of study that continues to at least the level of learning expected by two years of study beyond high school, but no time standards have been incorporated into the Career and Technical Education Program Quality Assessment Rubrics.

### **3505.4300 COMMUNITY-BASED EDUCATION.**

When a ~~vocational~~ career and technical program includes a segment in which students are placed on a paid or unpaid experience outside the ~~vocational~~ career and technical class or laboratory for more than 40 hours during the program, the local education agency shall meet the requirements for the employment related community-based education option of a program as stated in ~~parts 3500.3500 and 3505.4400 to 3505.4700~~ career and technical education program quality assessment rubrics.

Many students are employed or are otherwise involved in activities in the community both during and outside school hours. When this activity becomes part of a student's learning and the school releases the student to participate in the activity and/or grants credit for participation in the activity, there must be a clear understanding on the part of the student, the parent, the school, and the community member (often an employer of the student) about what will be learned and who carries the responsibility for each part of the learning experience. Community-based education is an extension of the school into the community and carries with it certain expectations and liabilities. The Career and Technical Education Program Quality Assessment Rubrics specify that community-based education should occur only where a training agreement is in place specifying the responsibilities of the school and the community agent in the learning process, and a training plan that specifies what will be learned by the student in the community setting and how that learning will be assessed. Licensure requirements outlined in the rubrics specify that the school personnel are aware of labor laws and regulations that affect the community-based learning environment.

The addition of the terms 'employment related' are necessary and reasonable to ensure internal consistency within chapter 3505. The term 'employment related community-based education' is a definition in chapter 3505, thus reference to this education option should use the full appropriate title of the education program.

The change from reference to Minnesota Rules 3500.3500 and 3500.4400 to Career and Technical Education Program Quality Assessment Rubrics is reasonable because it clarifies that the requirements for community-based career and technical education programs are identified in the Career and Technical Education Program Quality Assessment Rubrics and applies those requirements only where students have significant involvement in community-based learning (more than 40 hours). This change is necessary because it sets a program expectation for community-based programs to follow the requirements of the Career and Technical Education Program Quality Assessment Rubrics.

### **3505.4800 ADMINISTRATIVE SERVICES.**

~~Vocational~~ Career and technical administrative services shall be designed to assist students to meet ~~vocational~~ career and technical objectives. When a local education agency provides ~~vocational~~ career and technical administrative services, students in ~~vocational~~ career and technical programs shall be provided administrative services which are available to all

~~students in the district(s) in addition to the vocational career and technical administrative services. A local education agency shall be eligible for aid for one licensed vocational administrator at a ratio of one full-time equivalent administrator per 15 vocational instructional staff in approved programs or one half-time administrator per ten vocational instructional staff. Aid shall be prorated for administrative salaries when the administrative position is between one half-time equivalent and full-time equivalent. Administrative time involved in general education is not eligible for vocational aid. No proration occurs between 0 and 8 and 16 and 20; however, when instructional staff in approved programs exceeds 20, a local educational agency shall be eligible for aid for additional licensed vocational administrative salaries at a ratio of 20 staff to one full-time equivalent administrator. Vocational centers eligible for vocational aid for administrative/instructional staff not meeting the minimum ratio for administrative service may apply to the commissioner of education for an exception to the rule. An exception will be granted on the basis of the following criteria: during the first fiscal year following commissioner of education approval; or in those instances where the demography of the area served by the center cannot reasonably support ten vocational instructional staff.~~

From 1969 through 1977, many school districts throughout Minnesota joined together to form cooperative school districts to provide vocational education services, beginning with centers in Blue Earth, Roseau and Red Lake Falls and continuing until approximately 70 centers were formed. By 1977, much of the state's secondary career and technical education programming was provided through cooperative vocational centers. In such arrangements, and especially when categorical state aid was available for administration of career and technical education programs, it was necessary for the state to specify the parameters for local administration of career and technical education. State aid for secondary career and technical administration was discontinued in 1994 (Minnesota Session Laws 1994, Chapter 647 (HF 2189), Article 3, Section 12). Without state aid for this activity it is no longer necessary for the state to set parameters on administrative staffing for career and technical education programs.

Elimination of state rules pertaining to career and technical administrative levels is reasonable because it defers to local administrative staffing decisions while retaining the expectation that career and technical administrative support should supplement, and not supplant, other administrative support provided by a school district. The elimination of state rules pertaining to career and technical administrative levels is necessary because, without the change, local administrative staffing decisions would need to follow the prescribed limits.

### 3505.4900 SUPPORT SERVICES.

Special needs supportive services shall assist students with special needs enrolled in vocational career and technical instructional programs. ~~A district or center shall be eligible for vocational aid for support service personnel when a minimum of one half-time vocational licensed administrator exists to develop and implement the special needs services, and the staff to special needs student ratio in vocational education does not exceed the following:~~

~~A. one full-time equivalent support service facilitator to 60 full-time equivalent students;~~

~~B. one full-time equivalent supplemental support staff/technical tutor to ten full-time equivalent students;~~

~~C. one full-time equivalent interpreter to one full-time equivalent student or more as appropriate;~~

~~D. one full-time vocational evaluator to five full-time equivalent students enrolled in vocational evaluation services.~~

~~Proration of vocational aids shall occur when special needs personnel are assigned to vocational education less than full time.~~

Career and technical education has been found to be an effective instructional tool for many students, especially those who are challenged by a more traditional classroom structure. When learning barriers become quite significant, special interventions might be needed so that a student will be successful in her/his career and technical education pursuits. Students with these significant learning barriers are referred to as students with special needs (see Minnesota Rule 3505.1000, Subpart 35) and might benefit from supportive services, particularly assistance from a support service facilitator, direct support from a technical tutor or paraprofessional, help from a language or sign language interpreter, or assistance in completing assessments designed to guide students to appropriate personal career choices.

When categorical state aid was available for regular career and technical education programs, it was necessary for the state to specify the parameters for support services in career and technical education to ensure availability of necessary support while maintaining cost containment for the resources of the state. State aid for regular secondary career and technical education was discontinued in 2001 (Minnesota Session Laws 1999, Chapter 241, Article 3, Section 5). The deletion of language pertaining to parameters for the staffing of student support personnel is reasonable because, without state aid for this activity, it is no longer necessary for the state to set parameters on staffing for career and technical education support services or to provide for proration of state aids that no longer exist. The elimination of state rules pertaining to career and technical support

personnel levels is necessary because, without the change, local staffing decisions would need to follow the prescribed limits.

**~~3505.5000 STAFF FOR PLACEMENT OFFICE.~~**

~~A minimum of one half-time authorized local administrator shall exist prior to implementation of a placement program. A district or center shall be eligible for aid for licensed vocational placement specialist personnel at the minimum ratio of one full-time equivalent placement specialist per 20 vocational instructional staff or one-half time equivalent placement specialist per ten vocational instructional staff. Two or more districts or centers may combine the number of instructional staff to be eligible when the services are provided under the direction of one vocational administrator acting on behalf of the group of boards. Proration is not allowable.~~

When categorical state aid was available for regular career and technical education programs, it was necessary for the state to specify the parameters for placement specialists in career and technical education to ensure availability of necessary services while maintaining cost containment for the resources of the state. State aid for regular secondary career and technical education was discontinued in 2001 (Minnesota Session Laws 1999, Chapter 241, Article 3, Section 5). The deletion of language pertaining to parameters for the staffing of placement offices is reasonable because, without state aid for this activity, it is no longer necessary for the state to set parameters on staffing for career and technical education placement services or to provide for proration of state aids that no longer exist. The elimination of state rules pertaining to career and technical placement personnel levels is necessary because, without the change, local staffing decisions would need to follow the prescribed limits.

**~~3505.5200 VOCATIONAL AID CAREER AND TECHNICAL REVENUE.~~**

~~State payments shall be based upon the estimated budget for approved programs operated in accordance with parts 3505.2700 to 3505.4900. When state and federal vocational aid is not adequate to pay the state share identified in the vocational aid law, statewide proration of funds shall take place for all eligible estimated budget categories. Payments for salary, contracted instructional services, travel, curriculum development activities, and specialized instructional supplies and equipment (handicapped programs only) shall be based on the estimated budget. To receive aid under this part, enrollment figures must be submitted and postmarked on or before October 25 and February 25. Failure to submit budgets and enrollment figures before the deadline will result in the aid being withdrawn. A district or center that does not verify enrollment figures and as a result has aid withdrawn may resubmit the~~



~~budget by the date of the final report for the fiscal year. The district's or center's request must be kept by the department and will be funded at year end if sufficient aid is available. Final payment of aids for such categories shall be based on actual expenditures and actual enrollment.~~

Career and technical revenue for secondary career and technical education programs consists of the following:

A. Federal career and technical education aid provided to school districts and consortia of school districts under the Carl D. Perkins Career and Technical Education Act and distributed according to the Minnesota state plan for career and technical education.

B. Local revenue generated by a district's career and technical education levy under Minnesota Statutes, section 124D.4531.

C. Transition-disabled aid provided under Minnesota Statutes, section 124D.454.

The state shall annually calculate a district's career and technical education levy authority from item B based on an estimated budget submitted from approved career and technical education programs operated in accordance with parts 3505.4300 to 3505.4900. Levy authority for salary, contracted instructional services, travel, curriculum development activities, and specialized instructional supplies and equipment shall be based on the estimated budget and prior year district enrollment. A levy correction shall be calculated based on actual expenditures and actual district enrollment.

When state and federal career and technical revenue is not adequate to pay the state share identified in career and technical education aid and levy laws, statewide proration of funds shall take place for all eligible estimated budget categories.

At one time career and technical (secondary vocational) aid was based on a modified excess cost formula involving program expenditures and enrollment counts that presumed a certain level of support to career and technical education programs from enrollment-based general education revenue. Under this funding model it was necessary for the Department to collect periodic information on enrollment in the programs and use that information in the calculation of categorical aid payments. The 1994 Legislature eliminated the modified excess cost formula for regular career and technical education programs and replaced it with a formula that based career and technical aid on the lesser of \$80/student in grades 10-12 or 25% of program costs (Minnesota Session Laws

1994, Chapter 647, Article 3, Section 12). State categorical aid for career and technical education programs designed for students with disabilities (transition-disabled programs) remained in effect.

The 1999 Minnesota Legislature repealed secondary vocational categorical aid for regular career and technical education programs and replaced that aid with a permissive local levy (Minnesota Session Laws 1999, Chapter 241, Article 3, Section 5). The 2005 Legislature directed the Department to annually recalculate each district's levy authority for career and technical education (Minnesota Session Laws First Special Session 2005, Chapter 5, Article 2, Section 66), though because that levy is recognized in the year that the expenditures are incurred, it was necessary for the Department to establish a system that uses estimated budgets as a factor in that calculation, and to implement a levy correction mechanism that compares anticipated with actual expenditures after the initial levy has been certified.

The change from a categorical aid to a permissive levy for regular career and technical education programs; the retention of categorical aid for career and technical education programs for students with disabilities (transition-disabled programs); and development of a state plan for career and technical education that closely aligns career and technical education programs whether supported by local, state or federal resources lead to six significant changes to Minnesota Rule 3505.5200.

1. The title for this rule is changed from vocational aid to career and technical revenue. This change is reasonable and necessary because special support for career and technical education now comes in three forms: federal revenue distributed under the Carl D. Perkins Career and Technical Education Act and distributed according to the Minnesota State Plan for Career and Technical Education, state categorical aid for career and technical education programs specifically designed for students with disabilities under Minn. Stat. § 124D.454 (transition-disabled aid), and funds collected through a permissive local levy under Minn. Stat. § 124D.4531. Collectively these three special sources of support will be known as career and technical revenue. Changing the reference in the title from "aid" to "revenue" is necessary since "aid" flows from the state to a local district based on a specific legislated appropriation. Proceeds of a local permissive levy are not considered "aid" but are considered revenue that is governed by the rules of Minnesota Rules Chapter 3505.
2. Paragraph 1 and subparts A, B, and C, identify the three separate funding streams that make up career and technical revenue. It is reasonable and necessary to identify these revenue sources as the three parts of career and technical revenue that are governed by Minnesota Rules Chapter 3505.
3. Paragraph 2 identifies the factors that are used to calculate a district's levy authority under Minn. Stat. § 124D.4531 and the process that will be used by the Department to calculate a district's levy authority. This paragraph is necessary because the process for calculating a district's levy authority under Minn. Stat. § 124D.4531 is significantly different from the process that was used to calculate a district's secondary vocational aid in the last iteration of Minnesota Rule 3505.5200. This paragraph is reasonable because it specifies that a district's levy authority will be calculated by the state, that the initial levy will be calculated on the basis of a budget of anticipated expenditures submitted by the district to the state, and that a levy correction will be calculated by the department based on actual expenditures made by the district within the program year.

4. Language has been deleted from Minnesota Rule 3505.5200 pertaining to separate enrollment reports for career and technical education programs. The modified excess cost formula in place prior to 1994 relied on enrollment in career and technical education programs as part of the aid calculation since part of the career and technical education program support was presumed to come from general education revenue received by a school district and the amount of that support was calculated on the basis of enrollment in the career and technical program. The aid formula enacted in 1994, and the levy calculation now in place, both rely on total enrollment in grades 10 through 12 rather than enrollment specifically in a career and technical education program. As such, enrollment figures for the purpose of calculating the permissive career and technical education levy are extracted from general enrollment reporting from the school district provided to the Department through the Minnesota Automated Reporting Student System (MARSS). It is reasonable and necessary, then, to delete reference to separate reporting of career and technical enrollment in the rule pertaining to career and technical revenue.
5. Paragraph 3 replaces language pertaining to aid payments for budget changes to general proration of aid where the legislative appropriation is insufficient to meet demand. At the time the current rule was written, districts were required to submit budgets to the state to generate secondary vocational aid both for regular career and technical programs and for programs specifically designed for students with disabilities. Districts were also obligated to submit budget amendments when programmatic changes were implemented that would impact the amount of aid received, but the state was only obligated to make additional aid payments on the basis of those changes if the total amount available for aid was sufficient. Payments to districts were made on the basis of the original budgets first, and additional payments were prorated as necessary to make aid payments on the basis of the amended budgets.

Categorical aid for regular secondary career and technical programs was repealed in 1999 and shifted to a local permissive levy, but aid for career and technical education programs for students with disabilities (transition-disabled aid under Minn. Stat. § 124D.454) was continued using a base year funding mechanism that regulated the growth in these programs by delaying the aid calculation for school districts that implemented new transition-disabled programs by up to two years. The 2007 Legislature eliminated the base year funding mechanism for transition-disabled programs and made the aid calculation under Minn. Stat. 124D.454 on the basis of current year data. While doing so, the Legislature also made transition-disabled programs eligible for excess cost funding available for other programs for students with disabilities under Minn. Stat. § 124A.76.

The change from a categorical aid for regular career and technical education programs to a permissive levy with a system to recalculate that levy authority on the basis of actual expenditures, and the shift in the funding mechanism for transition-disabled aid from a base year funding mechanism to a current year funding mechanism with local authority to access revenue for the excess costs of those programs has made unnecessary the language in Minnesota Rule 3505.5200 that pertains to aid payments only on the basis of submitted budget amendments. However, Minnesota Rule 3505.5200 does need to reflect the authority of the state to limit aid payments for transition-disabled programs to the amount appropriated for that purpose by the legislature; the state has established processes for general proration among all programs in cases where the demand exceeds the appropriation, and allows districts to utilize excess cost

procedures to make up the difference between the amount of aid that would be available under the statutory formula and the amount of aid that is available after proration occurs. It is, therefore, reasonable and necessary to modify the language in Minnesota Rule 3505.5200 by eliminating language directing the state to prorate aid requests on the basis of budget amendments submitted by districts, and to insert language pertaining to the authority of the state to prorate aid when demands upon that aid exceed the legislative appropriation.

6. In authorizing the local career and technical education levy, the Legislature specified that up to 10% of the revenue could be used for equipment (Minnesota Session Laws 2005 1<sup>st</sup> Special Session, Chapter 5, Article 2, Section 66), thus eliminating the need for language in this rule specifying that equipment support was for programs for handicapped students only. It is reasonable and necessary, then, to delete language restricting equipment expenditures to disability programs only.

### **3505.5300 AID REVENUE FOR SALARIES.**

Subpart 1. **Eligibility of local education agency.** A local education agency is eligible for aid revenue according to Minnesota Statutes, section ~~124D.453~~ 124D.4531.

Subp. 2. **Eligibility for aid revenue for extended employment.** A district or center is eligible for ~~vocational aid career and technical revenue~~ for extended employment at a maximum rate of:

A. FTE teacher, six days;

B. FTE teacher coordinator, 20 days.

Aid Revenue must be prorated for a less than full-time equivalent teacher.

Subp. 3. **Eligibility for aid revenue for preparation time.** To be eligible for preparation time aid revenue, each teacher for whom a district claims the aid revenue must teach at least one ~~vocational~~ career and technical period.

~~The department shall fund~~ Revenue shall be available for up to a maximum of one hour of preparation time for a full-time equivalent teacher. Aid Revenue must be prorated for a less than full-time equivalent teacher.

Subp. 4. **Eligibility for substitute staff.** A district or center shall be eligible for ~~vocational aid career and technical revenue~~ for substitute staff holding vocational career and technical licensure appropriate for responsibility when aid revenue is not being requested for salary for regular staff for the same time as the substitute.

The change in reference from "aid" to "revenue" is reasonable and necessary to be consistent with the changes proposed to Minnesota Rule 3505.5200. The change to the statutory reference from 124D.453 to 124D.4531 is reasonable and necessary because Minn. Stat. § 124D.453 was repealed by the Legislature in 1999 but similar language was adopted by the Legislature as Minn. Stat. § 124D.4531 in 2005 directing the Department to annually calculate a district's levy authority for career and technical education. The change in subpart 3 that replaces "the department shall fund" to "revenue shall be available for" is necessary to avoid confusion as to whether preparation time is only funded by the Department or is a calculated component of career and technical revenue. The change is reasonable because it recognizes preparation time as an instructional cost under Minn. Stat. § 124D.4531 and Minn. Stat. § 124D.454.

### **3505.5400 ELIGIBLE ADDED COST CATEGORIES.**

Subp. 1. **UFARS object or program dimensions.** A district or cooperative center is eligible for aid revenue for the following ~~added~~ costs. The object or program dimensions in the current edition of the Manual for the Uniform Financial Accounting and Reporting System Standards (UFARS) for Minnesota Schools ~~(UFARS)~~, State of Minnesota, Minnesota Department of Education must be used to define each category.

The deletion of the term 'added' in the title and in this subpart is reasonable and necessary to reflect the change to formulas for calculating a district's levy authority under Minn. Stat. § 124D.4531 or a district's aid under Minn. Stat. § 124D.454 away from a modified excess (added) cost funding formula to a formula where revenue is based in part on a percentage of the total allowable costs of a program. The language change from 'aid' to 'revenue' throughout Minnesota Rule 3505.5400 is reasonable and necessary to be consistent with Minnesota Rule 3505.5200.

The term change from 'system' to 'standards' in 3505.5400 is necessary and reasonable because the correct description of UFARS is the Uniform Financial Accounting and Reporting Standards, not system.

Subp. 2. **Contracted services.** Contracted services provided by a public or private agency other than a Minnesota public school district or cooperative center for instructional education services. Aid Revenue is available for:

A. A resource specialist or a guest speaker employed by an entity described in this subpart 2 who teaches part of a program under the supervision of a licensed secondary ~~vocational~~ career and technical teacher. Contracted services for programs for persons with disabilities must be preapproved by the state program specialist. UFARS object dimension ~~311~~ 303 to 305 must be complied with.

The change from object dimension 311 to object dimensions 303 to 305 is reasonable because it updates a reference to current practice. UFARS Object Code 311, professional technical service, was inactivated with a UFARS Code restructuring in 1995. Object code 305 was selected as the appropriate replacement. The Department has also recently implemented two new UFARS object dimensions for contracted services using federal funds, 303 and 304, thus it is necessary and reasonable to state that the UFARS object dimensions 303 to 305 will be followed.

B. A public or private agency other than a Minnesota school district or cooperative center that provides career and technical instructional ~~vocational~~ education services. In order to be eligible for ~~aid~~ revenue:

(1) a binding contract must exist and be submitted with the annual program budget ~~on March 1~~ for approval; and

The elimination of the March 1 date in Subpart 2 B and in Subpart 4 A. is reasonable and necessary because it deletes from rule a date that could change based on administrative procedures. Minnesota has shifted from a paper reporting system to a web-based reporting system and has established reporting timelines administratively to allow for the alignment of data received by the state under other reporting requirements.

(2) the public or private agency must comply with all rules governing secondary ~~vocational~~ career and technical education except for teacher-student ratios.

Subp. 3. **Necessary travel.** Necessary travel by ~~vocational~~ career and technical staff in approved ~~vocational~~ career and technical programs defined in parts 3505.2600 to 3505.4900 is eligible for ~~aid~~ revenue as follows:

A. necessary travel between ~~vocational~~ career and technical instructional sites as defined in UFARS object dimension ~~365~~ 366;

B. necessary travel by licensed secondary ~~vocational~~ career and technical education personnel for ~~vocational~~ career and technical student organization activities held within the state for instructional purposes related to the ~~vocational~~ career and technical program and as defined in UFARS object dimension ~~366~~ 365; and

C. necessary travel by licensed secondary ~~vocational~~ career and technical education personnel for noncollegiate credit bearing professional development related to the ~~vocational~~ career and technical program area as defined in UFARS object dimension ~~367~~ 366.

The changes from object dimension 366 to 365 and from object dimension 367 to 366 are reasonable and necessary to align with dimension changes in the Uniform Financial Accounting and Reporting Standards (UFARS).

Subp. 4. **Curriculum development.** Curriculum development that is part of a five year plan for improvement based on program assessment as defined in UFARS program dimension 610.

A. The five year plan must be submitted to the state program specialist for the ~~vocational~~ career and technical program ~~by March 1~~ for approval. Yearly amendments are required if the plan or timelines deviate from the approved five year plan.

The elimination of the March 1 date is reasonable and necessary since costs associated with curriculum development are now submitted as allowable expenditures for calculation of the career and technical levy under Minn. Stat. 124D.4531 and submission dates for the purpose of calculating that levy authority are set administratively.

B. The plan must identify the assessment process. The assessment must be a formal process involving teachers, administrators, business and industry, and the community. Program Evaluation and Reporting (PER), North Central Evaluation, ~~Vocational~~ Career and Technical Education Evaluation, or other evaluation process may be used.

C. The plan must be comprehensive and must consider the following:

(1) mission of ~~vocational~~ career and technical education;

(2) coordination with district staff development plan;

(3) Department of Education ~~Model Learner Outcomes~~ Curriculum Frameworks for the ~~vocational~~ career and technical program;

The change from Model Learner Outcomes to Curriculum Frameworks is reasonable and necessary because it references CTE Frameworks produced by the Minnesota Department of Education and available on the Department of Education Website at [http://education.state.mn.us/MDE/Academic\\_Excellence/Career\\_Technical\\_Education/Forms\\_Resources/index.html](http://education.state.mn.us/MDE/Academic_Excellence/Career_Technical_Education/Forms_Resources/index.html). The state discontinued general use of model learner outcomes with the repeal of the Profile of Learning. The Minnesota Department of Education released curriculum frameworks for career and technical education in 2006.

(4) update relevant to ~~world of work~~ labor market information; and

The term "world of work" was commonly used when there was a clear distinction between vocational and collegiate preparation. Especially since the passage of the Carl D. Perkins Vocational and Applied Technology Act in 1990 there has been a significant effort to integrate academic preparation into career and technical education programs. This is particularly true with the development of programs of study (see M.R. 3505.1000, Subdivision 29a) under the 2006 reauthorization of the Perkins Act. Even with the integration of academic and technical preparation, however, it is still a primary focus of career and technical education to prepare students for career success in both existing and emerging occupations for which future employment will exist. Instructors of career and technical education programs need to know projections of employment need so that the programs they teach prepare students for future opportunities. Information about employment projections is called labor market information and, in Minnesota, is prepared and disseminated by the Minnesota Department of Employment and Economic Development (see Labor Market Information at <http://www.deed.state.mn.us/>). The change in language from "world of work" to "labor market information" is reasonable because it references materials produced by the Minnesota Department of Employment and Economic Development that are updated regularly. This change is necessary because career and technical education programs are designed to respond to changes in regional labor markets, and career and technical educators must remain apprised of those changes. Labor market information from the Minnesota Department of Employment and Economic Development reflects regional conditions.

(5) articulation between levels and across subject matter areas.

D. The plan must include work to be accomplished, title of person involved, and estimated timelines.

E. The five year plan must be approved by the local program advisory committee.

Subp. 5. **Specialized vocational career and technical instructional supplies**. Aid Revenue is available for specialized ~~vocational career and technical~~ instructional supplies that are unique and essential to the instructional programs as defined in UFARS object dimension 433, ~~excluding instructional equipment as defined in the UFARS Manual in Appendix B, page B-2.~~

Adding equipment to the title and text of this subpart is reasonable and necessary because a change was made to Minn. Stat. § 124D.453 by the 1994 Legislature allowing a portion of career and technical education aid to be used for equipment (Minnesota Session Laws 1994, Chapter 647, Article 3, Sections 12-15). To include equipment in this subpart, reference has been added to the UFARS object dimensions to add 530 – Other Equipment Purchased and 555 – Technology Equipment. Language excluding instructional equipment has been deleted to reflect the change in Minn. Stat. § 124D.453 allowing revenue to be used for equipment. Language in the subpart refers to "specialized" supplies and equipment. Specialized supplies and equipment are those items that are unique to the career and technical education program and not generally used in other instructional



areas. Examples might include welding rods for a welding program or food items in family and consumer sciences. Specialized supplies and equipment would generally not include common instructional materials (paper, pens, markers) or equipment that would be commonly used (copy machines, audio visual equipment, computers unless uniquely configured for the career and technical education program).

The 2001 Minnesota Legislature repealed categorical aid for regular secondary vocational education programs and replaced it with a permissive levy under Minn. Stat. § 126C.457 (Minnesota Session Laws 1Sp 2001, Chapter 6 [H.F. 2], Article 2, Sec. 75). Under this statute, school boards were permitted to authorize local unequalized tax levies for career and technical education equal to the greater of the amount the district was entitled to receive in secondary vocational categorical aid in 2001 or \$7,500. The revenue from this levy was to be recognized in the year that the levy was certified. Aid for career and technical education programs for students with disabilities (transition-disabled programs) remained in effect under Minn. Stat. § 124D.454. After minor modifications to Minn. Stat. § 126C.457, the 2005 Legislature enacted Minn. Stat. § 124D.4531 and directed the Department to annually recalculate a district's career and technical levy authority based on current data (Minnesota Session Laws 1Sp 2005, Chapter 5 [H.F. 141], Article 2, Section 66). "Aid" has been changed to "revenue" in this subpart because equipment purchases are allowable using revenue from the local permissive career and technical education levy under Minn. Stat. § 124D.4531, transition-disabled aid under Minn. Stat. 124D.454, or the federal Carl D. Perkins Career and Technical Education Act (see M.R. 3505.1000, Subdivision 4a).

**3505.5500 AID FOR EQUIPMENT IN PROGRAMS FOR DISABLED CAREER AND TECHNICAL EDUCATION PROGRAMS FOR STUDENTS WITH DISABILITIES (TRANSITION-DISABLED PROGRAMS) .**

A local education agency shall be eligible for aid at a rate up to the percentage rate set by the legislature for expenditures to lease or purchase equipment to develop occupational competencies in an approved instructional program. Equipment ~~request~~ requests shall be preapproved by the commissioner of education to be eligible for aid.

The 2000 Minnesota Legislature renamed "Secondary Vocational Handicapped" programs "Transition-Disabled Programs" (Minnesota Session Laws 2000, Chapter 489 [H.F. 3800] Article 4, Sections 3-5). Changing the title of this rule is reasonable and necessary to be consistent with the language in Minn. Stat. § 124D.454.

**3505.5600 AID LIMITATIONS .**

Expenditures jointly funded by ~~vocational~~ career and technical and special education or other sources (not including ~~foundation aid~~ general education revenue and local levy) shall be eligible for aid revenue at a rate not to exceed the maximum of either aid. When a district or center sells products or services produced in an approved program, the revenue from sales shall be recognized. This revenue may be used for expenditures

which are directly related to an approved secondary ~~vocational~~ career and technical program. If the revenue from sale of products or services exceeds the cost to produce those products or services in any fiscal year, the excess revenue ~~is not shall~~ be used in another vocational career and technical program. ~~the excess revenue shall reduce the state's obligation for such program by the amount of income in excess of the cost of production. When excess revenue is used for expenditures within approved secondary vocational programs, those expenditures are not eligible for aid under Minnesota Statutes, section 124D.453.~~

The term change from 'aid' to 'revenue' is necessary and reasonable because legislative changes in 1999 replaced state categorical aid for regular career and technical education with a permissive local levy and specified that the proceeds of that levy may only be used for career and technical education programs. Aid flows from the state to local school districts on the basis of a legislative appropriation. The term 'revenue' is used where the proceeds of a local levy exist instead of, or in addition to, aid that flows directly from the state. The language change from "foundation aid" to "general education revenue" is reasonable and necessary to be consistent with language changes to Minn. Stat. § 126C.10 (Minnesota Session Laws 1987, Chapter 398 [H.F. 753], Article 1, Section 11).

Prior to 2001 when regular secondary career and technical education programs were supported by state categorical aid, school districts were required to report net income from the sale of student-produced products. This income was then deducted from the state categorical aid payments to the district. The 1999 Legislature eliminated the categorical aid payments for secondary career and technical education and replaced that aid with a local permissive levy (Minnesota Session Laws 1999, Chapter 241, Article 3, Section 5). No guidance was provided during this change regarding the intent of the legislature to reduce a district's local levy authority on the basis of income derived from student work. On one hand, the intent of the original language seemed to discourage any practice on the part of local school districts to view student work through career and technical education as a revenue stream for the school district, and to suggest that any income would be used first to offset costs within the career and technical education program. Making a deduction against state aids provided to a local district supports the position that a school district should not select student work for its revenue-generating ability. On the other hand, eliminating state categorical aid and replacing it with an unduplicated local permissive levy (no state aid will supplement a local levy when the ability to generate levy revenue is limited) suggests that the role of the state in funding secondary career and technical education has been reduced, deferring to local school districts to determine appropriate expenditures based, to a great extent, on the local ability to provide support. With no categorical aid to reduce, the state would be either placed in the position of reducing other aids to a school district or allowing the local district latitude to use the revenue of student work as it deemed appropriate.

In recent years, no school district has reported net income from the sale of student-produced work in its career and technical education programs. Based on this, the Program Finance Director at the Department of Education was consulted and he supported elimination of the language in this rule that would reduce state aid payments to a school district because of net income through the sale of student work in career and technical education. The Minnesota Association of Career and Technical Administrators similarly supported elimination of this language. It is, therefore, reasonable and

necessary to delete language pertaining to a reduction in the state's obligation for career and technical education program support on the basis of revenue from the sale of student-produced work.

**3505.5700 ~~VOCATIONAL AID CAREER AND TECHNICAL LEVY APPLICATION PROCEDURE.~~**

Subpart. 1. **Submission of annual program budget.** The authorized local administrator shall be responsible for submitting the annual program budget, program budget amendments, program final expenditure report, and annual report.

Subp. 2. **Eligibility for vocational aid career and technical levy.** To be eligible for vocational aid career and technical levy, the annual program budget shall be submitted by ~~March 1~~ May 15 prior to the fiscal year for which aid levy authority is requested. Districts or centers shall be notified of program budget approval or disapproval ~~in writing~~ by ~~May 30~~ June 15. To be eligible for vocational aid career and technical levy, annual program budgets must be approved by the commissioner of education. When personnel are assigned nonvocational instructional responsibilities outside the approved career and technical program or general supervisory responsibilities, the salary request shall be prorated on the program budget.

~~An authorized local administrator, a group of districts and centers, or the commissioner of education may request a hearing. The hearings shall be scheduled between March 1 and June 15 and shall discuss the rationale for program and planned revenue and expenditures. District Districts or centers whose vocational career and technical budgets have been disapproved by the commissioner of education may appeal in writing to the commissioner of education for submission to the state board for its review. The results of the review shall be transmitted to the local board of education in writing.~~

Subp. 3. [See repealer]

The title and procedural changes listed above are reasonable and necessary to be consistent with Minnesota Statutes. The 2001 Minnesota Legislature repealed categorical aid for secondary vocational education programs and replaced it with a permissive levy under Minn. Stat. § 126C.457 (Minnesota Session Laws 1Sp 2001, Chapter 6 [H.F. 2], Article 2, Sec. 75). Under this statute, school boards were permitted to authorize local unequalized tax levies for career and technical education equal to the greater of the amount the district was entitled to receive in secondary vocational categorical aid in 2001 or \$7,500. The revenue from this levy was to be recognized in the year that the levy was certified. After minor modifications to Minn. Stat. § 126C.457, the 2005 Legislature directed the Department to annually recalculate a district's career and technical levy authority based

on current data (Minnesota Session Laws 1Sp 2005, Chapter 5 [H.F. 141], Article 2, Section 66). In making this change, and to address the requirement to calculate a levy before the expenditures used in the calculation had been made, the Department established a web-based reporting system under which school districts would submit career and technical education budgets prior to the year for which the levy would be made and would submit actual expenditure information following the program year so that levy adjustments could be calculated for future career and technical education levy authority. The changes shown above reflect the budget and expenditure submission processes used under this web-based reporting system. Deletion of the reference to written notification of acceptance or rejection of a career and technical budget reflects that the web-based levy calculation system has a built-in e-mail notification feature that lets school districts know the status of their submitted budgets.

Additionally, changes have been proposed to the requirements for submitting amendments. To limit fluctuations in state aid payments, a 10% cap had been imposed on budget amendments. Amendments were also required throughout the year where aid payments were distributed on a metered basis. Under the career and technical education levy, the district is certifying its levy on the basis of anticipated expenditures before those expenditures occur. Gathering budget amendments during the program year would have no impact on a levy already certified. It is, therefore, reasonable and necessary to eliminate the requirement to submit budget amendments because state approval of actual expenditures will be necessary for the calculation of levy adjustments where expenditures do not match budgets.

A change in subpart 2 is necessary since Minnesota no longer has a State Board of Education and the powers of the State Board of Education were transferred to the Commissioner of Education by Minnesota Session Laws 1999, Chapter 241 (HF 2333), Article 9, Section 52.

### **3505.5800 ANNUAL REPORT.**

Districts and centers shall maintain records of revenue and disbursements for programs, administrative and support services for which ~~vocational~~ career and technical aid revenue is requested in accordance with the Uniform Financial Accounting and Reporting ~~system~~ Standards (UFARS). Final report data shall be submitted to the commissioner of education by ~~August 15~~ October 30 of each year.

The change from "aid" to "revenue" in part 3505.5800 is reasonable and necessary to be consistent with Minnesota Statutes. The 2001 Minnesota Legislature repealed categorical aid for secondary vocational education programs and replaced it with a permissive levy under Minn. Stat. § 126C.457 (Minnesota Session Laws 1Sp 2001, Chapter 6 [H.F. 2], Article 2, Sec. 75).

The term change from 'system' to 'standards' in 3505.5400 is necessary and reasonable because the correct description of UFARS is the Uniform Financial Accounting and Reporting Standards, not system.

The change from August 15 to October 30 of each year is to be consistent with procedures for electronic submission of financial data under the Career and Technical Education Levy established by the Department of Education.

**3505.5900 STUDENT ELIGIBILITY.**

A student who is eligible to attend a Minnesota senior secondary public school is eligible to enroll in the ~~vocational career and technical~~ programs of the school. A student enrolled in a work experience/career exploration (WE/CEP) program is excepted from this student eligibility requirement. Students from other states or provinces may be served. When nonresidents of Minnesota are provided approved instructional programs, administrative and support services in Minnesota districts or centers, ~~aid~~ revenue requests shall be prorated to reflect only the percentage of Minnesota students being served.

The change from "aid" to "revenue" in part 3505.5900 is reasonable and necessary to be consistent with Minnesota Statutes. The 2001 Minnesota Legislature repealed categorical aid for secondary vocational education programs and replaced it with a permissive levy under Minn. Stat. § 126C.457 (Minnesota Session Laws 1Sp 2001, Chapter 6 [H.F. 2], Article 2, Sec. 75).

**CONCLUSION**

Based on the foregoing, the proposed rules are both necessary and reasonable.

10/7/08  
Date

Chas And  
Chas Anderson  
Deputy Commissioner