

*This draft was last updated on 7/28/2022 and reflects changes to Arizona Revised Statutes from the 55<sup>th</sup> Legislature, 1st Regular Session and updates to the AzEDS Application Program Interface collect required data from CTEDs. The Arizona Department of Education is currently updating systems to implement current law. Full implementation is expected in December 2022 and, until that time, specific details about data collection and submission requirements in this document may be added or revised based on system requirements identified during the implementation process.*

## L. Career Technical Education District

### L-1. Definitions

A Career Technical Education District (CTED) is a school district that provides Arizona Department of Education (ADE) approved career technical education (CTE) courses pursuant to [A.R.S. § 15-391](#). In 2018, Joint Technical Education Districts (JTEDs) were renamed to Career Technical Education Districts (CTEDs). Requirements and processes for CTEDs and CTED students differ from those for other school districts and students that are not enrolled in CTEDs.

### L-2. CTDS Numbers

Each site that provides career technical education courses must have a County Type District School (CTDS) number and must provide certain information about the site to ADE. A CTED site entity request must be submitted to School Finance and will be used to populate the ADE entity management system with the required information. If instruction for a single course is provided at multiple locations, only the primary location must have a CTDS number. Intergovernmental Agreements (IGAs) are required for CTED satellite sites. Additionally, CTED programs and courses provided at community colleges may be reported under a single CTDS number even if the community college has multiple campuses. A CTDS number is necessary for each community college for which an Intergovernmental Agreement (IGA) is required. Determination of students Full Time Equivalency (FTE) and Average Daily Membership (ADM) will be based in part on site-specific details, as specified in [A.R.S. § 15-393\(O\),\(P\),\(Q\), \(R\) and \(U\)](#).

### L-3. CTED Calendars

Each CTED site is required to have a calendar submitted to ADE. Each community college may establish one instructional calendar to be used for all campuses at which the community college offers CTED courses.

The first day of the calendar will be the first instructional day on or after July 1st, without regard to an individual student's first scheduled day of class. The last day of the calendar will be the last scheduled instructional day on or before June 30th, without regard to an individual student's last day of class. Schools must be closed on July 4<sup>th</sup>, Veterans' Day, December 25<sup>th</sup>, and Thanksgiving Day (A.R.S. § 15-801).

Absences should only be reported for students on the days on which instruction is scheduled.

CTED students will generate ADM based on the total instructional hours of enrollment and/or community college credits of enrollment between July 1<sup>st</sup> and June 30<sup>th</sup>, not based on days of enrollment. In addition to submitting a calendar, CTEDs may be required to submit course start and end

dates and student course data (such as enrollment, withdrawal, and reenrollment dates as they occur), or aggregate data that summarizes course enrollments for each student, to support the calculation of the total instructional hours of enrollment. Additionally, CTEDs should retain bell schedules for audit purposes.

#### **L-4. AzEDS Reporting**

Arizona resident CTED students in grades 10, 11, and 12 may be reported for state funding purposes, and generate fundable ADM. Arizona resident CTED students in grade 9 and in the year following graduation may be reported for state funding purposes if certain criteria are met.

Beginning in FY 2022, CTED students in grade 9 that are in Regionally Identified High Need programs, as identified by the Office of Economic Opportunity and approved by the Arizona Career and Technical Education Quality Commission, may generate funding after the 40<sup>th</sup> day of grade 11 as long as the student remains enrolled in a CTED program at that point in time. Students in the year following graduation may generate funding if enrolled in a Regionally Identified High Need program, as identified by the Office of Economic Opportunity and approved by the Arizona Career and Technical Education Quality Commission.

While students can generate funding for 9<sup>th</sup> grade or the year after graduation, students are prohibited from generating CTED funding for more than four years total, even if students attend more than one CTED.

#### **L-4a. State Aid Eligibility and Tuition Payer Codes for CTEDS**

Regardless of ADM or state aid eligibility, all students enrolled in CTED programs and courses must be reported. The memberships for students eligible for state aid must be reported with a tuition payer code of 1. Students that are not eligible to be reported for state aid purposes, including students with Empowerment Scholarship Accounts (ESAs) that pay tuition for CTED instruction, must be reported with a tuition payer code of 2. Students in 9<sup>th</sup> grade or in the year following high school graduation that qualify for funding under certain circumstances must be reported with a tuition payer code of 15.

#### **L-4b. Full-Time Equivalency (FTE)**

Full-time equivalency (FTE) for CTED students is determined in part based on the type of CTED site at which students are enrolled and only one FTE should be reported per enrollment. For students enrolled at CTED satellite campuses, FTE should be reported as 0.25 per course. For students enrolled in a CTE course or program provided by a community college, FTE should be reported as 0.25 for every three credit hours of enrollment in CTE courses (this does not apply to community college courses that are dropped and refunded to the CTED).

For students enrolled on CTED centralized campuses and CTED leased-centralized campuses, FTE should be reported based on the table below (except as discussed in the following paragraphs):

<b>FTE</b>	<b>Instructional Hours of Enrollment</b>
0.25 FTE	Under 300 hours
0.5 FTE	At least 300 hours and less than 450 hours
0.75 FTE	At least 450 hours and less than 600 hours
1.0 FTE	At least 600 hours

Students enrolled in courses offered in single periods of 150 minutes (not including breaks) or more per day on a **CTED centralized campus** which is owned and operated by the CTED may be reported with an FTE of 0.75 ([A.R.S. §15-393\(P\)](#)). Proration of FTE for incremental portions of the 150 minutes is not provided for in statute. Passing time may not be included as part of the 150 minutes, as passing time is already considered in allowing 0.75 FTE for 150 minutes per [A.R.S. § 15-393\(P\)](#).

Students enrolled in courses offered in single periods of 150 minutes (not including breaks) or more per day on a **CTED leased centralized campus** may be reported with an FTE notto exceed 0.75 for the actual number of days enrolled in the course ([A.R.S. § 15-393\(Q\)](#)). Proration of FTE for incremental portions of the 150 minutes is not provided for in statute. An FTE of 0.75 for a 150- minute course provided on a leased centralized campus shall be reported in its entirety by the CTED. Passing time may not be included as part of the 150 minutes, as passing time is already considered in allowing 0.75 FTE for 150 minutes per [A.R.S. § 15-393\(Q\)](#).

#### ***L-4bi. Member District FTE***

Student FTE for the member district is determined solely based on enrollment in non-CTED member district courses. Enrollment in CTED courses, which are to be reported by or for the CTED, shall not be included in students' FTE determination for member districts. CTED Satellite courses may not be included in both the CTED FTE determination and the member district FTE determination, only one or the other.

#### ***L-4bii. Grand Canyon Diploma FTE***

Students eligible for a Grand Canyon Diploma (GCD), [A.R.S. § 15-792.03\(C\)\(3\)](#), may be enrolled in a full-time CTED instructional program offered on one or more campuses. The CTED shall report an FTE of 1.00 and the school at which the student became eligible for the GCD may report an FTE of 0.25.

- A student may not be eligible for a GCD prior to the end of the 10th grade.
- A student enrolled in a CTED program pursuant to [A.R.S. § 15-792.03\(C\)](#) shall not have graduated from high school.
- A student is eligible for enrollment pursuant to [A.R.S. § 15-792.03\(C\)](#) until the student would have otherwise graduated.

A student is not eligible for enrollment pursuant to [A.R.S. § 15-792.03\(C\)](#) with less than full time enrollment.

#### ***L-4biii. FTE and Limiting***

If the total Average Daily Membership (ADM) generated by one student exceeds the maximum 1.750, 1.250, or 1.000 allowed for the student's enrollment, ADM will be proportionally reduced to the maximum allowable based on the share of the student's total ADM generated by each district, charter, or CTED. If a different allocation is specified in the IGA between a CTED and member district, it must be managed by the FTE reported by each LEA.

### L-6. Leased Centralized Campus Reporting

A leased centralized campus is a facility that is leased and operated by a CTED to offer CTE courses and programs. Leases entered into by CTED's on or after December 31, 2012 must be between two parties, in writing, for a specified period, and approved by the Joint Committee on Capital Review (JCCR). An actual building may be leased, or land may be leased, for a building owned by the CTED. Additionally, the lease must be at fair market value if the facility is located on a member district's site. The enrollment of students residing within the CTED at a leased centralized campus must be reported by the CTED as being a resident of the CTED and ADM cannot be shared with a member district.

To be eligible for a combined ADM of 1.750, the leased centralized campus must be operated by the CTED in the same manner that a member district would operate its own schools or a CTED satellite. Please note that the combined ADM cap is 1.000 if the leased centralized campus is not operated by the CTED in this manner.

### L-7. ADM and Limiting

Average Daily Membership (ADM) may be claimed, by either the CTED or the member district (not both), for a student who is enrolled in a CTE course which is provided at either a CTED centralized campus (owned and operated by the CTED) or a CTED satellite campus, as agreed upon by the CTED and the member district. ADM for students at a leased centralized campus must be reported by the CTED.

Effective July 1, 2016, the ADM allocation methodology must be clearly stated as part of the Intergovernmental Agreement (IGA) required pursuant to [A.R.S. § 15-393\(L\)](#). The IGA must be made available to ADE upon request. An IGA must be current, in writing, include an effective and expiration date, and specify the community college campus at which the CTED instruction will occur. The IGA must also be approved by the community college and the CTED, with signatures by authorized representatives.

#### L-7a. ADM

To be eligible for ADM, students must be enrolled in ADE-Approved CTE Courses. Only one entity may claim ADM for a student's enrollment in a CTED course. ADM for CTED students is calculated in part based on the type of CTED site at which students are enrolled.

Students enrolled in a CTE course or program provided by a community college will generate 0.25 ADM for every three credit hours of enrollment in CTE courses.

Students enrolled on CTED satellite campuses, CTED centralized campuses and CTED leased-centralized campuses will generate ADM equal to the total reported instructional hours of enrollment divided by six hundred, up to the student's reported FTE. The table below provides examples of the ADM that would be generated based on certain reported instructional hours of enrollment.

Instructional Hours of Enrollment	ADM
150 hours	0.25
300 hours	0.5
450 hours	0.75
600 hours	1.0

There is one exception to the ADM calculations above. Students enrolled in courses offered in single periods of 150 minutes (not including breaks) or more per day on a **CTED centralized campus** or **CTED leased centralized campus** will generate 0.75 ADM if the CTED separately reports that the student would otherwise generate less than 0.75 ADM under the calculations above. These students should be reported as 0.75 FTE.

**L-7b. Limiting**

Arizona state law specifies the maximum ADM that students may generate each year. For students that exceed the maximum, ADM will be proportionally reduced based on the amount generated at the districts, charters, and CTEDs at which the student was enrolled during the fiscal year. The total combined ADM that may be generated by a single student, including enrollment in a school district, charter school, and CTED, is limited as follows:

- Student enrollments which include an enrollment in a CTED course offered on a Satellite Campus will be limited to 1.250 ADM ([A.R.S. § 15-393\(N\)\(O\)](#)).
- Student enrollments which include an enrollment in a CTED course offered on a Centralized Campus will be limited to 1.750 ADM ([A.R.S. § 15-393\(P\)](#)).
- Student enrollments which include an enrollment in a CTED course offered on a Leased Centralized Campus will be limited to 1.750 ADM ([A.R.S. § 15-393\(Q\)](#)).
- Student enrollments in a CTED course offered at a Community College will be limited to 1.750 ADM ([A.R.S. § 15-393\(P\)](#)).
- Student enrollments in CTED courses offered at facilities not included above will be limited to 1.000 ADM ([A.R.S. § 15-393\(D\) and \(O\)](#)).

The ADM Calculation Engine (ACE) calculates the limited ADM for each membership for a student across all schools each year. The Limiting Factor for each student is the ratio of possible ADM used to reduce the membership days for each of a student’s memberships proportionally. The Limited Membership Days value for a membership is membership days multiplied by that ratio:

$$\text{Limiting Factor} = \frac{\text{Maximum Membership Days for the Student}}{\text{Total Membership Days for the Student}}$$

### *L-7bi. Limiting Examples*

The following examples are designed to demonstrate the limiting process. Districts, charters, and CTEDs can view the impact of limiting on specific students by reviewing the LMTADM25 report in AzEDS.

#### *CTED Limiting Example 1, Sharing ADM Between 2 Schools*

If a student generated 1.00 ADM with School District A and 1.00 ADM at a CTED Centralized Campus, School District A will share the 1.750 ADM with the CTED Centralized Campus if all statutory requirements are met for calculation of FTE:

School	ADM before Limiting	Limiting Factor	Limited ADM
Member District School	1.000	175/200	0.875
CTED Centralized Site	1.000	175/200	0.875

The ADM before limiting for this example student’s memberships represent 100 days each. To find the limiting factor, divide the possible membership days for the concurrency by the total membership days for the student. In this case, the student is allowed up to 1.750 ADM which is 175 days, divided by the 200 total membership days for the student resulting in a Limiting Factor of 0.875. To find Limited ADM: ((Limiting Factor) x (Fundable Membership Days)) ÷ 100 = Limited ADM.

#### *CTED Limiting Example 2, Sharing ADM Between 3 Schools*

If the same student has fundable membership days at a third school, ADM will be proportionately distributed using the ADM limiting factor as follows:

School	ADM before Limiting	Limiting Factor	Limited ADM
Member District School A	1.000	175/205	0.853
Non-Member District School B	0.300	175/205	0.256
CTED Centralized Site	0.750	175/205	0.640

In this second example, the student is still allowed up to 1.750 ADM, which is 175 days, divided by the 205 total membership days for the student resulting in a Limiting Factor of 0.8536. Either School District A or School District B must be a member district of the CTED.

## L-8. Appendix

### L-8a. A.R.S. § 15-391 and A.R.S. § 15-393

The following excerpts from Arizona Revised Statutes were extracted from <https://www.azleg.gov> in February 2022. The page includes the following note, "The Arizona Revised Statutes have been updated to include the revised sections from the 55th Legislature, 1st Regular Session. Please note that the next update of this compilation will not take place until after the conclusion of the 55th Legislature, 2nd Regular Session, which convenes in January 2022."

#### 15-391. Definitions

In this article, unless the context otherwise requires:

1. "Career technical education board" means a career technical education district governing board.
2. "Career technical education course" means a course that is offered by a career technical education district as part of a career technical education district program, that is approved by the career and technical education division of the department of education and that meets each of the following requirements:
  - (a) Is taught by an instructor who is certified to teach career and technical education by the state board of education or by a postsecondary educational institution.
  - (b) Is part of a program that requires students to obtain a passing score of at least sixty percent on an assessment that demonstrates the level of skills, knowledge and competencies necessary to be successful in the designated vocation or industry for that program of study.
  - (c) Is part of an approved career technical education district program.
  - (d) Is not a course or any variation of a course, including honors, that is required under the minimum course of study pursuant to section 15-701.01 in order to graduate from high school, except that credit may be awarded for any career and technical education course.
  - (e) Requires a majority of instructional time to be conducted in a laboratory environment, field-based environment or work-based learning environment, except for community college courses.
  - (f) Has demonstrated a need for extra funding in order to provide the career technical education course.
  - (g) Requires specialized equipment and specialized materials in order to provide instruction to students that exceeds the cost of a standard educational course.
3. "Career technical education district" means a district that is formed pursuant to this article and that offers career technical education courses.
4. "Career technical education district program" means a sequence of courses that is offered by a career technical education district and that meets all of the following requirements:



- (a) Is taught by an instructor who is certified to teach career and technical education by the state board of education or by a postsecondary educational institution.
- (b) Requires an assessment that demonstrates the level of skills, knowledge and competencies necessary to be successful in the designated vocation or industry or an assessment necessary for certification, if appropriate, or for career readiness and entry-level employment, in and acceptance by that vocation or industry. Any assessment adopted pursuant to this subdivision shall require a passing score of at least sixty percent.
- (c) Requires specialized equipment and specialized materials in order to provide instruction to students that exceeds the cost of a standard educational course.
- (d) Requires a majority of instructional time to be conducted in a laboratory environment, field-based environment or work-based learning environment, and requires career and technical student organization participation, except for community college courses.
- (e) Demonstrates alignment through a curriculum, instructional model and course sequence to meet the standards of a career and technical education preparatory program as determined by the career and technical education division of the department of education.
- (f) Has a defined pathway to career and postsecondary education in a specific vocation or industry as determined by the career and technical education division of the department of education.
- (g) Is approved by the career and technical education division of the department of education based only on the requirements prescribed in this paragraph after the submission of all required documentation.
- (h) Is certified by the career technical education district governing board to have met all the requirements prescribed in this article.
- (i) Is offered only to students in grades nine, ten, eleven and twelve.
- (j) Fills a high-need vocational or industry need as determined by the career and technical education division of the department of education.
- (k) Requires a single or stackable credential as described in subdivision (l) of this paragraph or a skill that will allow a student to obtain work as described in subdivision (l) of this paragraph on graduation before receiving an associate degree or baccalaureate degree.
- (l) Leads to certification or licensure, if available, or to career readiness and entry-level employment where relevant certification or licensure does not exist in that industry, in the designated vocation or industry that has been verified and accepted by that vocation or industry and that qualifies the person for employment. If there is no certification or licensure that is accepted by the vocation or industry, or if business practicalities do not require certification or licensure, completion of the program must qualify the student for at least entry-level employment.

(m) Requires instruction and instructional materials in courses that are substantially different from and exceed the scope of standard instruction and that include vocational skills, competencies and knowledge to be successful in the designated career technical education district program vocation or industry.

(n) An industry or vocation has agreed to provide financial or technical support to the career technical education district for a specific career technical education district program. For the purposes of this subdivision, "financial support" includes in-kind contributions and donations.

(o) A career technical education district has demonstrated a need for extra funding in order to provide the career technical education district program.

5. "State board" means the state board of education.

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Z. For the purposes of this section:

1. "Base year" means the complete school year in which voters of a school district elected to join a career technical education district.

2. "Centralized campus" means a facility that is owned and operated by a career technical education district to offer career technical education district programs or career technical education courses.

3. "Lease" means a written agreement in which the right to occupy or use real property is conveyed from one person or entity to another person or entity for a specified period of time.

4. "Leased centralized campus" means a facility that is leased and operated by a career technical education district to offer career technical education district programs or career technical education courses.

5. "Satellite campus" means a facility that is owned or operated by a school district or charter school to offer career technical education district programs or career technical education courses.