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**CALIFORNIA COMMUNITY COLLEGES  
SYSTEM OFFICE**

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August 9, 2006

To: Presidents / Superintendents

From: Jose Millan  
Vice Chancellor, Economic and Workforce Development

Subject: Career Technical Education Equipment Funds,  
AB 1802 Education Trailer Bill

This memo is to provide requirements, guidance and direction on the use of the Career and Technical Education funds provided by the 2006-07 education trailer bill (AB 1802). These topics will be covered:

- Source and Purpose of Funding and Allocation Amounts
- Processing Grant Funds to Districts
- Guidance on Use of the Funds
- VTEA IC Local Plan Budget Changes
- AB 1802 Reporting

Source and Purpose of Funding and Allocation Amounts

The 2006-07 education trailer bill (AB 1802) provides \$40 million in one-time grants to districts for “career technical education equipment, materials and minor facility remodeling.” Funds are allocated on an equal amount per FTES bases as reported at the 2005-06 P2. Each district’s allocation is based on \$35.80 per credit and non-credit FTES, with a minimum threshold guarantee of \$100,000. Final district allocations will be revised based on the actual 2005-06 recalculated FTES.

District’s allocations are included in the 2006-07 Advanced Apportionment report, posted on the web at

[http://www.cccco.edu/divisions/cffp/fiscal/allocations/links/apportionment/0607\\_advance.htm](http://www.cccco.edu/divisions/cffp/fiscal/allocations/links/apportionment/0607_advance.htm).

Processing Grant Funds to Districts

AB 1802 funds are available to the districts automatically through the apportionment process, based on the AB 1802 allocation schedule through June 30, 2007. At this time, these grant funds may not be extended or carried-over.

### Guidance on use of the Funds

In local planning for the funds, the System Office, California Community Colleges, encourages districts to be mindful of restrictions of the Carl D. Perkins Vocational and Technical Education Act (Perkins Act), the other major source of funding for vocational education (Career Technical Education - CTE) program improvement. "Minor facility remodeling" should be the first priority for the use of the AB 1802 funds, because that use is not allowed under the Perkins Act.

After local consideration of minor facility remodeling, you may wish to redirect planned Perkins expenditures for CTE equipment and materials to this state funding source in order to augment other Perkins supported activities. Because local plans for the Perkins basic allocation have already been filed with the System Office, amendment procedures are provided in this memo and the System Office will endeavor to facilitate those VTEA IC Local Plan Budget Change amendments.

Because federal Perkins reauthorization has just passed for the program years beyond the current year, program coordinators may want to use this opportunity for any capacity building, such as deeper analysis of their performance on core measures, professional development or curriculum development.

### VTEA IC Local Plan Budget Change

Districts may substitute AB 1802 funds for those VTEA IC funds designated in VTEA IC Local Plans to purchase CTE equipment and materials. The released VTEA IC funds may be redirected for other purposes.

To amend the 2006-2007 VTEA IC Local Application Budget and substitute AB1802 funds in place of VTEA IC funds intended for CTE equipment and material purchases, the district must:

- Submit a budget change request through the VTEA IC Online Reporting System. The budget change request reflects any proposed reduction or increase of funds in the existing object of expenditure (O/E) categories, including redirection or new use of funds.
- Provide a brief explanation for the requested change(s).

The budget change request will be reviewed and approved by the program monitor.

AB 1802 Reporting

AB 1802 quarterly reports will not be required. However districts must submit a final report by August 30, 2007 that contains the prescribed information.

Included is an example of the final reporting that will be required. Final report submission instructions will be issued later.

Cc: Occupational Education Deans