**Member Research Request**

*State Management of CTSOs (Prepared for Arizona)*

**Request**:

On January 25, the Arizona State CTE Director sent a request on the NASDCTEc listserv regarding the structure and management of Career Technical Student Organizations (CTSOs) in other states. The original request is below:

*Our state agency is conducting a performance audit of the Career and Technical Student Organizations unit within CTE. As part of that review, they are requesting information on how the CTSOs are structured in other states.*

*In Arizona, we support 7 CTSOs all of which are paid through our budget and housed within CTE. The state advisor is responsible for managing all financial affairs and daily activities of the CTSO at the state level and also has oversight for Perkins and state CTE grants. The CTSO (student) funds are all in out of agency accounts and all bills related to the student organization are paid by them.  The agency supports salaries, travel, supplies, print costs, etc. for the CTSO state director. We want to keep it as is, but I do need to provide some examples that the CTSOs are co-curricular and a vital part of the CTE success in other states as well.  I am hoping to gather some information related to how CTSOs are supported in your state, financial responsibilities, structure etc.*

*Below are questions about CTSOs. We would greatly appreciate if you could respond to any or all of them by Monday, January 25th. Please feel free to send your responses directly to me or you can respond directly to this email.*

1. *How many CTSOs are supported in your state?*
2. *Does each CTSO have a State Advisor/Director?*
	1. *If yes to above, are the CTSO State Advisor/Director positions FTEs within CTE or paid consultants?  Or other?*
3. *What, if any, CTSO expenses are paid with CTE funds (not CTSO student funds)?*
4. *How are CTSO student funds handled? (bank accounts outside of state agency, check signers, purchasing guidelines, credit cards, etc)*

The request received 28 state responses (including Arizona). The responding states were: AL, AR, AZ, CO, IL,, IN, KY, ME, MD, MA, MI, MN, MO, MS, NC, ND, NM, NV, OK, OR, PA, SC, TX, TN, UT, WA, WI, WY.

Advance CTE compiled the 28 responses into an Excel chart and analyzed the results. This chart is provided as an additional resource as well. NOTE: This analysis largely relies on state-supplied answers, and was not independently verified.

**Analysis:**

1. ***How many CTSOs are supported in your state?***

On average, states supported seven CTSOs. The top seven CTSOs (in order of popularity) were:

1. DECA/DECA Collegiate
2. SkillsUSA
3. FFA
4. FBLA-PBL
5. FCCLA
6. HOSA
7. TSA

Four states (**AR**, **MN**, **MO**, **MS**, **ND**) noted support for postsecondary chapters in one or more of the following CTSOs: DECA Collegiate, Phi Lamba Beta (FBLA), National Postsecondary Agricultural Student Organization, and SkillsUSA College.

*Other supported organizations:*

1. **AL**: JROTC, and Jobs for Alabama’s Graduates (JAG)
2. **IL**: Provides funds for the Illinois Coordinating Council of Career and Technical Student Organizations
3. **MS**: National Technical Honor Society
4. **OR**: Is working to develop support for TSA; a group of educators and industry partners are developing a state-specific CTSO called Future National Resource Leaders
5. **WA**: WCTSMA (Washington Career and Technical Sports Medicine Association), which was approved and recognized in 2010 by OSPI

*State structure differences:*

1. **MD**: Maryland supports 4 CTSOs. However, local schools may elect to have chapters that work directly with the national organization (such as FCCLA and TSA). Since there are only a handful of these chapters, MSDE does not support statewide functions.
2. **IN:** FFA funds are awarded to the State Department of Agriculture (ISDA) and all FFA state staff are ISDA employees.
3. **ME**: Agriculture support is legislated in Maine, so the FFA State Advisor salary is paid using CTE funds.
4. **NC**: FFA is officially housed at NC State University and support is limited.
5. **NM**: FFA is a CTSO NM recognizes but is administered, supported and funded through state appropriation by New Mexico State University. The University is now working on establishing Educators Rising.
6. ***Does each CTSO have a State Advisor/Director?***
	1. ***If yes to above, are the CTSO State Advisor/Director positions FTEs within CTE or paid consultants?  Or other?***

26 out of 28 states reported having a state advisor or director for each CTSO. **AZ** indicated having one state director for CTSOs. **PA** reported that FFA, SkillsUSA, HOSA, and DECA have paid executive directors while DECA, FCCLA and FFA have a state employee supporting them.

8 states reported not using staff FTEs (including part-time) and/or paid consultants.

*Notable examples (grouped by two categories –unique structure and alignment/co-curricular)*

**Unique structure**

**NM**: NM established an office at Eastern New Mexico University (ENMU) who serves as a fiscal agent on behalf of the State Agency. That is, NM entered into a Memorandum of Understanding (MOU) that enables ENMU to fully administer the CTSOs on behalf of the State Agency. The office is called the Career Technical Leadership Project (CTLP). The CTLP is staffed with three professional level staff, a business manager and part time administrative support. Each of the professional staff serve as the state advisor for two of the six CTSOs.

The president of each CTSO board serves on a statewide CTSO board known as the CTLP board. The state director has one staff member, or himself, be present at each of the two to three annual CTLP board meetings. From the State Agency perspective, there is little administrative time spent on the management of the CTLP.

**MI**: The Michigan CTSO Directors are neither full-time equivalent employees nor paid consultants from the Office of Career and Technical Education and the Michigan Department of Education. They are hired through a process by their individual organizations. OCTE contracts for statewide leadership of each CTSO by offering a grant to partially cover the cost of the state director's salary and benefits. Through this grant, OCTE manages the individual state directors who carry out the roles and responsibilities of their CTSOs. The grants do not cover the entire cost of the state directors.

**MN**: Most of the Executive Directors have contracts managed through Lakes Country Cooperative. With regard to their grant and budget justification, the state finance department considers them all to be independent contractors. Most of them are considered to maintain a full time contract. They all receive annual reviews by their individual Board of Directors.

**OR**: ODE grants the CTSO management funds to the Oregon Career and Technical Education Student Leadership Foundation (OCTESL), which then contracts with TRI Leadership Resources, LLC for the management of the individual organizations. Each chartered CTSO has a nominal state director—who are really employees of TRI Leadership Resources, LLC, and who serve that role for multiple organizations and/or in multiple states. TRI uses the economy of scale to coordinate redundant work and bring efficiency to the management of Oregon’s CTSOs. Because of diminishing legislative funds, ODE found it could not support individual directors for each organization and provide competitive wages and benefits for those positions.

**TN**: TN has six CTSO staff members, four "CTE Specialists" who serve as state advisors for the seven CTSOs, and two FFA Regional Coordinators to service the eastern and western region of the state FFA program.

* CTE Specialist for DECA and FBLA
* CTE Specialist for FCCLA and SkillsUSA
* CTE Specialist for HOSA and TSA
* CTE Specialist for FFA, accompanied by the two Regional Coordinators for FFA

The "team" is called the Student Leadership Team, with the director of this team, reporting to the state CTE director.

**Alignment/co-curricular:**

**CO**: The CTSO state adviser is called the Assistant Program Director for \_\_\_\_\_ (whatever the content area related to the CTSO) so for example, the FCCLA State Consultant is the Assistant Program Director for Family and Consumer Science. Colorado has an Asst. Program Director for each national recognized CTSO (FFA, FCCLA, FBLA, DECA, TSA, Skills, and HOSA). The assistant program director is also charged with matching standards to their competitive events and facilitating professional development tied to curriculum development.

**MD** (Similar structure in **IL**, **ND, WA, WI**): Each CTSO’s state director is also a CTE specialist for their related CTE programs. For example, the DECA/FBLA Director also serves on the Business, Management and Finance Cluster Team. In this way, all CTSO programs are co-curricular and alignment to CTE programs is reinforced. The state only participates in those activities directly aligned to a state CTE program.

1. ***What, if any, CTSO expenses are paid with CTE funds (not CTSO student funds)?***

27 out of 28 states reported at least some portion of CTSO expenses being paid with CTE funds. The one exception was **MD**:

All Maryland CTSOs are a partnership with a non-profit organization (for example, the Board of Directors for Maryland FBLA). As such, all funds are managed by the Board of Directors of the non-profit - not MSDE. This allows for greater flexibility on partnership development, fundraising, and awarding of scholarships. The non-profit organization is in partnership with MSDE to ensure curriculum alignment and to facilitate functions. However, as a state-recognized entity, all financials are handled by the non-profit.

The nonprofit structure is used by a few states (**MD, OR, MN**) For example, in **MN**:

CTSOs have their own accounts but the legislative funds are managed by the director of the MN Foundation for Student Organizations. All of the CTSO are independent 501(c)3 entities. They all maintain their own bank accounts and manage their own funds. Both the MFSO and the MDE review how the grant monies are expended to ensure they are in line with their budget justification prior to authorizing any of the reimbursement requests (legislative grants). The grants they receive are NOT general education funds they are grants that are specifically mandated to the CTSOs in the E12 omnibus bill by name. Being independent 501(c)3 non-profits they are required to have a Board of Directors that reviews policies, procedures and expenditures. The MFSO also provide comprehensive Board Development Training to ensure the Boards are aware of the both the governance responsibilities they bear and the financial duty of care. The MFSO also the right to exercise a financial or best practices audit with any CTSO at any time.

In other some states (i.e. **IL**, **MA**, **WA**, **TX**) these funds were drawn from Perkins funding, while others (i.e. **OR**, **TN**, **WA, WI**) use state funds. NOTE: Not all states specified whether funding was federal or state. Expenditures included staff travel costs, supplies, salaries, etc. Also, in **ND**, the state pays an outside agency to handle fiscal operations for CTSOs.

10 states reported using a mini-grant or sub-grant system to distribute funds to the CTSOs. (**IL, IN, MD, MI, MN, NV, OR, TX, WA, WY**).

1. ***How are CTSO student funds handled? (bank accounts outside of state agency, check signers, purchasing guidelines, credit cards, etc)***

Most states said CTSO student funds are handled outside of the state agency, with a few exceptions (**IL, MS, SC**). **CO, NV,** and **OR** reported that funds were handled by an outside agency, but with the guidance of CTSO boards. A few other notable differences:

* **MO** and **ND** said they allow credit cards (**AL** will be doing this soon), while **TN, UT,** and **WA** do not.
* In **NC** and **TN,** CTSO student funds are handled outside the state agency, but the SEA is a co-signer for checks.
* In **TN,** CTSOs handle their funds outside the state agency, but all use the same bank to maximize investments.

There are a variety of state approaches and policies related to the handling of CTSO student funds. In the shared Google Drive are state CTSO policies as shared by MD, NM, and TX.