

**FAQ: STATE SUPPLEMENTAL CAREER AND TECHNICAL EDUCATION (CTE) FUNDING
PURSUANT TO KRS 157.069**

Q1: Why is it no longer called “LAVEC funding?”

A1: The previous state funding pool for Local Area Vocational Education Center (LAVEC) grants is now called “State Supplemental CTE Funds.” LAVEC, formerly a term used to identify local schools with five (5) or more CTE programs that qualified for state funding, is no longer needed as the new state supplemental CTE funds grants are now available to local CTE programs with and without five (5) or more CTE programs.

Q2: Do state-operated schools receive supplemental CTE funds?

A2: House Bill 500, the 2026 biennium budget bill, removed the notwithstanding language included in the 2024 biennium budget bill (House Bill 6) that excluded the state-operated schools. State-operated Area Technology Centers (ATCs) will now be included in the funding formula as provided in [KRS 157.069](#) and will receive supplemental CTE funds.

Q3: Who qualifies for the “Supplemental CTE Funds”?

A3: Local districts and state-operated area technology centers providing career and technical education that meet the federal requirements of [Perkins V](#) are eligible to receive state supplemental CTE funds. Correspondingly, programs must meet the general program standards for secondary CTE programs pursuant to [705 KAR 4:231](#).

Q4: How will state supplemental CTE funding allocations be calculated?

A4: The overall state allocation for supplemental CTE funding is divided into two categories. Sixty percent (60%) is dedicated to base CTE funding and is determined by total student enrollment in qualifying pathway courses. Forty percent (40%) of the funding is performance-based funding, determined by the number of twelfth (12th) grade students who have earned incentives in up to four (4) categories:

1. Designation of a concentrator;
2. Successful completion of an approved CTE cooperative (co-op) education, internship, or apprenticeship course in which the student earned 300 or more hours of on-the-job training; (This must be entered into Infinite Campus following the [work-based learning \(WBL\) Data Standard](#))
3. Earned an approved CTE dual credit with a grade of “C” or above; (This can be any CTE State Course Code listed in the [Programs of Study Directory](#) document that a post-secondary institution holds an agreement with a district to offer as dual credit.)
4. Technical skill attainment (earned a valid industry certification or CTE End-of-Program (EOP) assessment certificate). For the industry certification, you do not have to be a concentrator in the pathway for this to count, but you do have to follow the requirements from the [valid](#)

[industry certification list](#), including meeting the stack requirements. To be eligible to take a CTE End-of-Program Assessment, you must meet the guidelines which include correctly being identified as a concentrator in the pathway and having 2 credits on the high school transcript documented appropriately in the Technical Education Database System (TEDS).

Q5: How is the enrollment data for base funding determined?

A5: Enrollment is based on a district's or ATC's full-time equivalent (FTE) of students in both general- and high-cost CTE programs and includes students in grades nine (9) through twelve (12). FTEs are calculated as "general-cost FTEs" which receives a weight of one (1) and "high-cost FTEs" which receive a weight of one and one half (1.5). The weighted full-time equivalent (WFTE) calculation includes the total number of secondary students enrolled in general-cost CTE programs and high-cost CTE programs, multiplied by the number of attend hours for which those students are enrolled divided by six (6) hours. FTE data will be pulled from term one (1) attend hours uploaded into TEDS by December 1 of the previous school year.

Q6: How did my attend hours and incentive numbers increase and my total district funding decrease?

A6: 100% of the Supplemental CTE Funding is based on one designated amount of money and is distributed to districts based on the amount total: WFTE (60%) and total Incentives (40%). As statewide attend hours or incentives increase, the amount per WFTE or Incentive decreases. Thus, a district may see increased attend hours or incentives but decreased total funding if it doesn't grow at the same rate as other districts.

Q7: What programs or pathways are classified as high cost?

A7: Please refer to the [CTE pathway weights spreadsheet](#) to view weights used for calculations.

Q8: How is the data for the performance funding pulled?

A8: Data for performance funding is based on the number of twelfth (12th) grade students who met the incentives throughout their secondary enrollment in each of the four (4) incentive categories. For example, for FY 27 (2026-27 school year) incentive data will be pulled based on twelfth (12th) grade students from the 2024-25 school year. For FY 26 (2025-26 school year) incentive data was pulled based on twelfth (12th) grade students from the 2023-24 school year.

The number of twelfth (12th) grade students who were concentrators and the number of students who earned at least one (1) industry certification or EOP certificate is pulled from TEDS following the data reporting deadline. The number of twelfth (12th) grade students who earned a grade of "C" or higher in an approved CTE dual credit course or successfully completed a CTE WBL course associated with 300 hours of on-the-job training is pulled from Infinite Campus (IC). Students may earn up to 4 incentives at a local district and up to 4 incentives at an ATC. Each incentive is awarded where it was first earned.

Q9: What data sets are used to determine funding?

A9: Student enrollment data is pulled from term one (1) attend hours from the prior school year. Incentive data is pulled from the grade twelve (12) students from the most recent school year for which

data is available. For example, funding allocations for the 2026-2027 school year will be determined by enrollment calculations from term one (1) attend hours uploaded to TEDS in the fall of 2025 and incentive data from students in grade twelve (12) during the 2025-2026 school year.

Q10: Does our Experience-Based Work course (901005) qualify for the WBL incentive?

A10: 901005 is not an approved CTE course. While it qualifies for 300 hours of on-the-job training for career readiness in the accountability system, it does *not* qualify for CTE incentive funding.

Q11: May a student earn/count for multiple incentives?

A11: Yes, a student may count for multiple incentives. Each type of incentive shall only be counted once per student at state-operated area technology centers and once per student at local districts for a maximum of four (4) incentives per student at state-operated area technology centers and four (4) incentives at local districts throughout their secondary career and technical education. For incentive criteria that is achieved more than once at state-operated area technology centers, the incentive shall be counted for the state-operated area technology center where it was first achieved. For incentive criteria that is achieved more than once at local districts, the incentive shall be counted for the local district where it was first achieved.

Q12: What if the student earns an incentive in one district or ATC and then transfers to another?

A12: The incentive credit will remain with the district or ATC where the student earned it.

Q13: Will we receive one allocation for our entire district?

A13: The district will receive two half payments. The first will be in January after receiving the first two MUNIS reports, and the second in June after the 3rd T1 attend hours report. The allocation will show separate amounts per school based on enrollment. The allocation for incentives will show an amount per district based on the district where the incentive was first earned. It is up to the district to determine data regarding what incentives should be attributed to each school.

Q14: When will districts receive allocations? Will my district's allocation change for the fiscal year?

A14: Districts will be notified of award allocations by June 30. Pursuant to KRS 157.069, there is no mid-year adjustment and that amount stays the same for the fiscal year. Districts will receive two half payments, one in January and one in June.

Q15: When will ATCs receive allocations? Will my ATC's allocation change for the fiscal year?

A15: ATC's will be informed of their allocation amount at the beginning of the fiscal year. There is no mid-year adjustment and that amount stays the same for the fiscal year.

Q16: What can districts/ATCs purchase with these funds?

A16: The [Non-Competitive State Grant Funding Matrix](#) shows a complete list of what is allowable with state CTE funds. Please note that districts are strongly encouraged not to spend more than twenty-five percent (25%) of their state CTE grant allocation on personnel expenses and must receive approval to expend funds on programs for grades five (5) through eight (8). Pursuant to KRS 157.069, the intent of CTE grant funds should be to improve student outcomes in CTE pathways including but not limited to student supplies, resources, materials, equipment, and support for CTE student organization participation. When making purchases, ATCs should follow the KDE OCTE procurement guidelines. Please reach out to [Kelsey Ruble](#) if you have questions regarding a specific purchase.

Q17: How does my district receive approval to use a portion of our allocation for middle school CTE?

A17: Districts may [apply for approval](#) to use CTE funds for middle school pursuant to KRS 157.069. To be approved, districts must:

- Detail a plan for orientation and exploration of broad-based industries by giving students knowledge and experience regarding careers within these industries and exploratory or hands-on skills used in the industry.
- Provide a detailed overview of the direct alignments that exist between middle and secondary career and technical education (CTE) pathways within the requesting district.
- Verify the designation of supplemental funding for programming for students in grades five (5) through eight (8) does not have a significant detrimental impact on the programming available for students in secondary grades.
- Include the names of all schools and pathways involved.

Q18: What is the CTE Supplemental Funding Middle School Waiver?

A18: The CTE Supplemental Funding Middle School Waiver allows school districts to use high school allocated Supplemental CTE Funding to provide broad-based career exploration for middle school students.

Q19: What is the purpose of the waiver?

A19: The waiver expands access to foundational CTE instruction for middle school students, helping them explore career pathways early, preparing for high school program areas and pathways. The waiver covers multiple career clusters, program areas, and industries; encourages exploration rather than specialization; and provides support to districts interested in helping middle school students build technical and academic skills.

Q20: What is broad-based career exploration?

A20: Broad-based career exploration refers to structured learning experiences that expose students to a wide range of career clusters and pathways rather than a single program area. As outlined in KRS 157.069, it is intended primarily for middle school students to build awareness of multiple career options, connect academics to the workplace, and make informed choices before selecting a high school

career pathway. This approach ensures students gain exposure to a wide range of industries and skills before committing to a specific career path in high school.

Q21: Can the middle school funds be used for individual Career and Technical Student Organizations (CTSOs)?

A21: No. Funding a single CTSO could unintentionally limit access and opportunity for students outside that career area. CTSOs generally serve students already enrolled in a specific pathway or class aligned to that CTSO, meaning participation isn't universal or exploratory in nature.

Q22: Who is eligible to receive these funds?

A22: Per KRS 157.069(5)(e) a school district may submit a waiver request to the Office of Career and Technical Education (OCTE) to use a portion of its allocation of supplemental funds for CTE programming for students in grades (5) through eight (8), and the district shall include in its request a detailed plan for such programming that supports broad-based learning for those students.

Q23: Who should complete the Supplemental CTE Funding Middle School Waiver?

A23: All waiver requests must be submitted by district-level administration. i.e. Secondary CTE Coordinator, Superintendent, or Chief Finance Office (CFO).

Q24: How long does the waiver last?

A24: Waivers are granted for one academic year and must be renewed annually. Districts must demonstrate adherence to KRS 157.069 with all subsequent submissions.

Q25: Who monitors the funding?

A25: OCTE shall monitor and provide oversight of state funds distributed pursuant to KRS 157.069 to ensure the use of funding by eligible recipients meets the approved criteria.

Q26: Whom should I contact if I have additional questions?

A26: [Kelsey Ruble](#) – Branch Manager (CTE budgets)
[Amy Tracy](#) – CTE Data Manager
[Lauren Graves](#) – CTE Policy Advisor
[Tom Thompson](#) – Division Director (Middle School State Supplemental CTE Funding)

[Career and Technical Education Resources - Kentucky Department of Education](#)