



# Legislature of the Virgin Islands

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## POST AUDIT DIVISION

June 28, 2016

# COMMITTEE ON FINANCE

*Fiscal Year 2017 Budget Hearings*

## VI CAREER & TECHNICAL EDUCATION BOARD

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**INTRODUCTION**

Established with a mission of developing student potential for a lifetime of learning and successful career preparation, The Virgin Islands Career and Technical Education Board (*the Board or CTEB*) formerly *The Virgin Islands Board of Vocational Education* has the responsibility of administering vocational programs in the Virgin Islands under Title 17 section 262 of the Virgin Islands Code.

According to this subchapter, reference to the previous sections reliance on the administration of Acts of Congress in terms of vocational education shall be adhered to.

Cooperate with the Office of Education, within the United States Department of Health, Education and Welfare.	Provide for the making of studies and investigations relating to vocational education in such subjects
Approve plans for cooperating with the Federal Government in carrying out any and all phases of the career & technical education program.	Promote, maintain, and aid in the establishment of schools, departments, or classes for training in such subjects as well as the qualification training, certification, selection and determination of salaries and appointment of such teachers and supervisors.
Administer the funds provided by the Federal Government and the Legislature for the promotion of career and technical education in qualifications for teachers and supervisors of such subjects and distributive education.	Establish and determine by general regulations the qualifications to be possessed by persons engaged in the training of vocational education programs and for the articulation of this work with other phases of territorial programs.
Approve plans for the promotion of vocational education as an essential and integral part of the public school system in the Virgin Islands and provide for the teachers in such subjects.	Do all things necessary to entitle the Virgin Islands to receive benefits of all funds appropriated to the Virgin Islands under the acts of Congress referred to in this section.
Make certification for payment of the compensation of officials and other personnel appointed under section 99 of Title 3 for the proper administration in the Virgin Islands of the provisions of this subchapter and of any Federal Acts relating to vocational education and of other expenses of administration of such programs from appropriated funds.	Prepare and issue rules and regulations necessary for the proper administration of this subchapter.

**BOARD MEMEBERS**

Under Title 3 section 98 of the Virgin Islands Code, the Board currently comprises nine (9) members, appointed by the Governor, with the advice and consent of the Legislature.

Of the nine members,

- 4 residents of St. Thomas
- 4 residents of St. Croix
- 1 resident of St. John

All members shall serve for a period of *two* years, except that any person appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. The current members of the Board are:

<i>Members</i>	<i>Positions</i>	<i>District</i>
Daniel P. McIntosh	Chairman	<i>St. Croix</i>
Ilene Garner	Vice-Chair	<i>St. Thomas</i>
Ronald Jones	Treasurer	<i>St. John</i>
Adlyn Williams	Secretary	<i>St. Thomas</i>
Dr. Eddie Williams	Member	<i>St. Croix</i>
Nancy Callwood	Ex- Officio Member	<i>State Director</i>
<b><i>Vacant (2 Positions)</i></b>	<b><i>Vacant</i></b>	<b><i>St. Croix</i></b>
<b><i>Vacant (1Positions)</i></b>	<b><i>Vacant</i></b>	<b><i>St. Thomas</i></b>

*Exhibit I.*

**ACCOMPLISHMENTS**

Signed into law in December of 2014, ACT No. 7710 returned the Board to semi-autonomous status. According to correspondence from the Board dated April 20, 2016, continued difficulties in accessing funds released by the Office of Management and Budget significantly hampers the CTEB’s ability to fulfill fiscal year 2016 goals and objectives. To date, the Board has not gained full access to the ERP/MUNIS system, as a result, funds are expended from late releases from the Department of Education’s Business Office, in order to satisfy recurring expenses and operational costs.

*Exhibit II*, provides a status of the Board’s ongoing efforts to complete ongoing accomplishments.

**THE VIRGIN ISLANDS CAREER AND TECHNICAL EDUCATION BOARD**  
*Status Update: Fiscal Year 2015/2016*

1. Continue the creation of the Career Pathways System for all school programs and collaborate with the Department of Education (DOE) and the workforce Investment Board for implementation	<b><i>Ongoing activity</i></b>
2. In partnership with the DOE, ensure the linking of all Junior High School CTE programs with those offered at the High School level.	<b><i>There is an agreement that the linkage is necessary, however students at the Jr. high school level must have the Career Interest Inventory assessment administered in order to benefit.</i></b>
3. Conduct a comprehensive audit of all CTE programs in the schools throughout the VI by the end of the first quarter of – November 2014.	<b><i>Full audit previously expected to be completed by September 30, 2015. Recent adjustment to complete audits by mid June 2016.</i></b>
4. Offer appropriate professional development training to all CTE teachers throughout the territory.	<b><i>Ongoing efforts of professional development stemming from the first quarter of FY16 administered by representatives of Temple University School of Education.</i></b>
5. Continue the upgrade of CTE program teaching and training aids completing the Guides4Learning implementation.	<b><i>CTE programs in both districts were upgraded. The Guides4Learning is approximately 80% completed.</i></b>
6. Combined efforts with the DOE to prepare all Automotive Technology Programs, labs and classrooms to meet the standards of the National Automotive Technicians Education Foundation (NATEF) to achieve accreditation.	<b><i>As of May 10, 2016 the Automotive Technology program at CAHS will have a new wheel alignment lift along with a tire change machine and wheel-balancing machine.</i></b>

**THE VIRGIN ISLANDS CAREER AND TECHNICAL EDUCATION BOARD**  
*Status Update: Fiscal Year 2015/2016*

<p>7. Review and ensure the proper implementation of the Career interest inventory system at the Junior High School level.</p>	<p><i>The department has administered the career interest inventory in the St. Thomas/St. John district. Plans to do the same for the district of St. Croix will soon commence.</i></p>
<p>8. Propose to the Governor the names of new potential candidates to fill vacancies (2) on the CTE board.</p>	<p><i>The initiative will be at the Governor’s request, should he choose this avenue.</i></p>
<p>9. Pursue measures to access potential CTE related funding sources.</p>	<p><i>The board identified and proposed a partnership with the St. Croix Foundation to pursue CTE teacher development and to assist with the needs of the Automotive Technology program enhancements through Snap On and NC3.</i></p>
<p>10. Deliberate and formulate proposals aimed at restructuring the CTE board’s scholarship programs for greater accountability.</p>	<p><i>The board has discussed this initiative and agree that we should move forward to provide full scholarships to worthy and qualified students in the Virgin Islands, with the specific intent on developing a new pool of CTE teachers and maintenance professionals. The scholarship funds were reduced from the previous levels and the required modification is now moved to the next fiscal year.</i></p>

**YEAR IN REVIEW**

Act No. 7758 which provided basic funds for the operation of the Government of the Virgin Islands during the Fiscal Year ending September 30, 2016 appropriated the sum of **\$600,000** for operations of The Virgin Islands Career and Technical Education Board.

**THE VIRGIN ISLANDS CAREER AND TECHNICAL EDUCATION BOARD**  
*Fiscal Year 2016*  
*Appropriation Summary - General Fund*

<b>Operations</b>	<b>Funding</b>
Lump Sum Appropriation	\$600,000
<i>Allotment as of May 25, 2016</i>	<b>447,500</b>
<b>Balance/ Reserves</b>	<b>\$152,500</b>

Reported expenditures by the Board for fiscal year 2015 and 2016 as of April 15, 2016 as well as fiscal year 2017 projections have been listed in *Exhibit III*.

**THE VIRGIN ISLANDS CAREER AND TECHNICAL EDUCATION BOARD**  
*Expenditures Report*

	<b>Description</b>	<b>FY 2015 Budget</b>	<b>FY 2016 Budget (YTD)</b>	<b>FY 2017 CTEB Projections</b>
<b><i>General Fund:</i></b>				
Personnel Services	Classified Employees	\$95,102	\$45,705	\$104,820
	Unclassified Employees	-	28,007	75,000
	Temporary/Pt Time	-	-	68,487
<b><i>Total Personnel Svcs</i></b>		<b>\$95,102</b>	<b>\$73,712</b>	<b>\$248,307</b>
Fringe Benefits	F.I.C.A.	-	11,475	15,395
	Workers Comp Premium	-	371	371
	Health Insurance Premium	-	-	45,807
	Medicare	-	-	3,600
	Employer Contr. Retirement	-	-	50,903
<b><i>Total Fringe Benefits</i></b>		<b>\$-</b>	<b>\$11,846</b>	<b>\$115,076</b>
Supplies	Office Supplies	1,866	11,107	4,000
	Operating Supplies	7,542	23,743	3,000
	Small Tools/Minor Equip	-	-	2,500
	All Other	1,178	-	-
<b><i>Total Supplies</i></b>		<b>\$10,587</b>	<b>\$34,850</b>	<b>\$9,500</b>
Other Services & Chgs	Professional Services	49,871	8,512	40,000
	Communication	12,507	6,664	20,000
	Travel	25,592	14,818	55,000
	Transportation –Not Travel	-	701	4,000
	Printing & Binding	-	964	3,000

	Description	FY 2015 Budget	FY 2016 Budget (YTD)	FY 2017 CTEB Projections
<b>General Fund:</b>				
Other Services & Chgs	Insurance	\$234	-	\$3,500
	Advertising and Promotion	-	-	3,000
	Repairs and Maintenance	-	-	2,000
	Rental-Land/Building	38,726	21,765	38,000
	Rental-Machines/Equipment	-	-	17,852
	Training	-	-	3,500
	All Other	200,041	110,219	25,565
<b>Total Other Svs &amp; Chgs</b>		<b>\$326,971</b>	<b>\$163,642</b>	<b>215,417</b>
Utility Services	Electricity	\$6,196	\$2,546	9,600
	Water	108	549	800
<b>Total Utility Services</b>		<b>\$6,305</b>	<b>\$3,095</b>	<b>10,700</b>
<b>Total Expenses</b>		<b>\$438,965</b>	<b>\$287,145</b>	<b>\$600,000</b>

*Exhibit III*

A quick comparison of the Board’s expenditures for fiscal year 2015 versus the projections for fiscal year 2017 displays a **37%** increase of **\$161,035** in expenses. Additionally, the line item category of utility services displayed a **70%** increase in cost for fiscal year 2017. Notable highlights in the actual reported expenditures for fiscal year 2015 surrounds a cost of **\$95,102 for personnel services with no record of contributions by the Board for fringe benefits.** This pattern continues into fiscal year 2017. Projections for the upcoming fiscal year included previously non existing contributions (*per the board*) towards health insurance premium, Medicare, as well as an amount towards the employer contribution for retirement. This evokes questions surrounding a lack of contribution towards fringe benefits.

Additional concerns surrounding a **115%** increase in travel from fiscal year 2015 to fiscal year 2017 as well as surges in itemized costs of line items under the “*Other Services & Charges*” Category. These include:

- A **471% increase** in Transportation – Not Travel
- A **211% increase** in Printing & Binding
- **100% increase** in costs towards Insurance, Advertising and Promotion, Repairs and Maintenance, Rental Machines/Equipment and Training.

A detailed listing of the types of charges included in “all other” line item as noted under the “*Other Services & Charges*” category has been listed in *Exhibit IV*.

**THE VIRGIN ISLANDS CAREER AND TECHNICAL EDUCATION BOARD**  
*Detailed Listing: All Other*

	<b>October 2014 to September 2015</b>	<b>October 2015 to April 2016</b>
<b><i>Other Services &amp; Charges</i></b>		
<i>All Other</i>	Janitorial Services	Janitorial Services
	Reimbursements	Reimbursements
	Meals	Meals
	Per Diems	Per Diems
	Waste Collection	Waste Collection
	Travel Agent Fees	Travel Agent Fees
	Extermination Services	Extermination Services
	Legal Services	Legal Services
	Teacher Professional Development	Teacher Professional Development
	Hotel Accommodations for Students	Hotel Accommodations for Students
	Transportation Costs	Transportation Costs
	Student Organization Support	Student Organization Support
	Conference Registration	Staff Uniforms
	Travel Cost for Student & Teachers	Travel Cost for Student & Teachers
	Equipment Purchases for Schools	Equipment Purchases for Schools
<b><i>Total Expenses</i></b>	<b><i>\$200,041</i></b>	<b><i>\$110,219</i></b>

*Exhibit IV*

**FISCAL YEAR 2017 BUDGET OVERVIEW**

**PERSONNEL SERVICES**

The CTEB provided information to the Post Audit Division on plans for personnel throughout fiscal year 2017. See *Exhibit V*.

**THE VIRGIN ISLANDS CAREER AND TECHNICAL EDUCATION BOARD**  
*Fiscal Year 2017 Personnel Services Listing*

<i>Position</i>	<i>Status</i>	<i>Classification</i>	<i>Salary</i>
Administrative Assistant	NOPA Pending	Classified	\$34,940
Administrative Assistant	NOPA Pending	Classified	34,940
Administrative Assistant	NOPA Pending	Classified	34,940
Executive Director	NOPA Pending	Unclassified	75,000
Program Monitor (STT)	<b>VACANT</b>	Classified (pt time)	22,829
Program Monitor (STX)	<b>VACANT</b>	Classified (pt time)	22,829
Scholarship Admin-Acct	<b>VACANT</b>	Classified (pt time)	22,829
<b>Total Personnel Services</b>			<b>\$248,307</b>

*Exhibit V*

**THE VIRGIN ISLANDS CAREER AND TECHNICAL EDUCATION BOARD**  
*Fiscal Year 2016 Professional Services Contracts*  
*For the period beginning October 2015*

<b>VENDOR</b>	<b>COST</b>	<b>TERMS</b>	<b>TYPE OF SERVICE</b>
Ann Marie Hercules	\$645	2 hours/2days weekly@ 7.25p/h	Janitorial Services
David Christian	520	\$52 p/hr as Needed	IT Consultant
Focus Training, Inc.	11,482	\$3,490 facilitation/Prg Design; \$885 for Booklets; \$7,107 Venue	Student Leadership Development
James Carbon	575	One Time Service	Maintenance
James Daniel & Associates	10,000	\$2,500 at execution of agreement; \$2,500 when 50% completion Balance upon completion	Curriculum/Lesson Panning (Guides4Learning)
Marshall & Sterling	3,281	Ann. Liability Insurance	Insurance Offices
Reliable Business	6,187	Monthly – until full conversion to ERP	Accounting Services
Roy P. Rolie	2,400	6 days @ \$400 per day	Automotive Consultant
Shauna Bass	75,000	\$2,885 bi-weekly salary gross	Executive Director
Smock & Moorehead	914	\$250 p/hr	Legal Services
Terminex	864	\$432 annually per district	Exterminator
Yvonne Webster	2,400	\$35 p/h for60 hours and 2 days of Travel at a cost of \$150	Command and Leadership Training
<b>TOTAL</b>	<b>\$114,268</b>		

*Exhibit VI*

**THE VIRGIN ISLANDS CAREER AND TECHNICAL EDUCATION BOARD**  
*Fiscal Year 2017 Professional Services Contracts*  
*For the period beginning October 2016*

<b>VENDOR</b>	<b>COST</b>	<b>TYPE OF SERVICE</b>
Ann Marie Hercules	\$6,223	Janitorial Services
David Christian	1,000	IT Consultant
James Daniel & Associates	10,000	Curriculum/Lesson Panning (Guides4Learning)
Marshall & Sterling	3,281	Insurance Offices
Reliable Business	7,000	Accounting Services
Smock & Moorehead	2,000	Legal Services
Snap On	15,000	Automotive Curriculum and Plan
Temple University	10,000	Teacher Professional Development
Terminex	875	Exterminator
<b>TOTAL</b>	<b>\$55,379</b>	

*Exhibit VII*

**THE VIRGIN ISLANDS CAREER AND TECHNICAL EDUCATION BOARD**  
*Fiscal Year 2016 Leases*

<b>LESSOR</b>	<b>ADDRESS</b>	<b>SQ. FEET</b>	<b>ANNUAL RENT</b>	<b>STATUS/COMMENTS</b>
B & W Realty Investment, Ince	8000 Nisky Center Ste 210 St. Thomas V.I.	680	\$25,805	5 year lease w/options to renew
Weisner Development Co.	Sion Farm Shopping Ctr Bay 25 St. Croix	1,430	12,920	2 year lease w/options to renew
<b>TOTAL</b>			<b>\$38,725</b>	

*Exhibit VIII*

**FISCAL YEAR 2017 BUDGET SUMMARY**

The Virgin Islands Career and Technical Education Board has provided justification for the Governor's recommendation of **\$600,000** for operations throughout fiscal year 2017. This amount remains in line with the Governor's fiscal year 2016 recommendation for the Virgin Islands Career & Technical Board.

A handwritten signature in blue ink, appearing to read "Jose L. George". The signature is written in a cursive style with a large initial "J" and "G".

Jose L. George  
Post Auditor