

**Advance CTE/The Center to Advance CTE
Finance & Audit Committee Meeting**

Agenda

Via [Zoom](#)

March 31, 2022

4-5 p.m. EDT

4 – 4:05 p.m.	Welcome	Katie Graham <i>Pages 1-2</i>
4:05 – 4:07 p.m.	Review and Approval of Minutes	Katie Graham <i>Pages 3-6</i>
4:07 – 4:27 p.m.	Investment Update <ul style="list-style-type: none">• Overview of markets• Review our investment policy statements• Review of investment portfolio performance	Mark Friese, Merrill Lynch <i>Page 7</i>
4:27 – 4:37 p.m.	Review and approval of Advance CTE Financials	Krissy Haynes <i>Pages 8-17</i>
4:37 – 4:50 p.m.	Review and approval of The Center to Advance CTE Financials	Krissy Haynes <i>Pages 18-29</i>
4:50 – 5 p.m.	Wrap up <u>Next Meeting:</u> June 16, 2022 2-3 p.m. EDT Via Zoom Topic: FY23 Budget Approval	Katie Graham

**Advance CTE/ Center to Advance CTE
Finance/Audit Committee Roster
FY 22**

Secretary-Treasurer

Katie Graham
State CTE Director
Nebraska Department of Education
PO Box 94987
Lincoln, NE 68509
katie.graham@nebraska.gov

Past President

Sarah Heath
State CTE Director
Colorado Community College System
9101 E. Lowry Blvd
Denver, CO 80230
sarah.heath@cccs.edu

Jonathan Beard
Assistant Director
Ohio Department of Education
1815 Franklin Park South
Columbus, OH 43205
jonathan.beard@education.ohio.gov
Term expires: June 30, 2024

Cathie Raymond
State CTE Director
Arizona Department of Education
1535 West Jefferson, Bin 42
Phoenix, AZ 85007
cathie.raymond@azed.gov
Term: June 30, 2023

Whitney Thompson
Senior Director for Career and Technical
Education
401 East Capitol Avenue
Springfield, IL 62701
Whitney.thompson@illinois.gov
Term expires: June 30, 2023

The Advance CTE Finance/Audit Committee Meeting

January 13, 2022

3-4 p.m. EST

Zoom Meeting

ATTENDEES: Sarah Heath, Katie Graham, Jonathan Beard.

STAFF: Kimberly Green, Kate Kreamer, Krissy Haynes, Tanya Powers.

INVITED GUESTS: Trevor Williams, *GRF CPAs & Advisors*, Bert Swain, *Dembo Jones*.

ABSENT: Whitney Thompson

Welcome: Heath welcomed everyone to the meeting. She informed everyone of Malone's departure and shared that Malone took a new job to serve as a Superintendent for a newly formed statewide charter district.

Heath asked for approval of the minutes.

MOTION: To approve minutes from September 13, 2021, as presented.

Graham; Beard.

MOTION APPROVED.

FY21 Audit Review: Williams reviewed the fiscal year 2021 audit with the Committee. The firm's opinion is that Advance CTE/The Center to Advance CTE's combined financial statements present fairly in all material respects. This is an unmodified and clean opinion, which is the best opinion an auditor can give.

The total assets of the organizations are up from the previous year. The biggest fluctuation occurred in the cash and cash equivalents. There was a \$1.2 million decrease due to more funds being received in fiscal year 2020. There was a \$2.5 million increase in investment funds for fiscal year 2021. Net assets increased by about \$1.2 million. The organization's total liabilities and net assets total \$9,253,866.

Total revenues for fiscal year 2021 are comparable to fiscal year 2020. The main differences between the two years were an increase in investment income and a decrease in grants and contracts for fiscal year 2021. The total expenses for fiscal year 2021 are up from the previous year. The biggest change was in the grants and contracts program. In fiscal year 2020, expenses were reduced due to the COVID-19 pandemic.

The organizations have a healthy reserve, which is about three years of operating expenses.

Beard appreciated the transparency from management and the thorough audit report. Beard asked if there were any issues brought to management's attention that were off record. Williams stated there were two recommendations made: a cyber insurance policy and a formal procurement policy. Both of which, management stated they are reviewing and considering. Williams also noted that there were no audit adjustment entries. Swain and Williams both commented that the organizations were in an extremely strong financial position and congratulated management. Graham appreciated the clear explanation of the audit. Green noted that as we return to normal business post COVID, she expected the reserve to return to two years' worth of operating expenses. Due to COVID, the organizations were not able to expend funds. Green also acknowledged and expressed her appreciation for all of Haynes hard work during the audit process.

Heath asked for approval of the FY21 audit.

**MOTION: To approve the FY21 audit, as presented.
Beard; Graham.
MOTION APPROVED.**

FY21 990 Review: Swain reviewed the 990 for both Advance CTE and The Center to Advance CTE. The 990s are completed only after the audit is complete and are in line with the audited financial statements.

Swain highlighted page two, which is a narrative of what the organization has accomplished during the fiscal year. Since they are public documents, the wording is important for the public to understand what was accomplished throughout the year.

The Foundation 990 contains schedule B that lists who has contributed funds to the organization. This is not public information and asks that the Board does not disclose this information outside of the organization. There was a \$25,000 contribution listed. Green noted that it was a sponsorship from a funder that needed to be recorded differently. It was not a direct contribution.

Beard asked if there was any unrelated business income. Swain answered that there was not. Haynes noted that the revenue less expense was negative for fiscal year 2021, although less income was received in fiscal year 2021. This was due to grant payments that were received in fiscal year 2020 but the funds rolled over to fiscal year 2021 and expended in fiscal year 2021.

Heath asked for approval of the FY21 990s.

**MOTION: To approve the FY21 Advance CTE 990s, as presented.
Beard; Graham.
MOTION APPROVED.**

**MOTION: To approve the FY21 The Center to Advance CTE 990s, as presented.
Beard; Graham.**

MOTION APPROVED.

Advance CTE and The Center to Advance CTE Financial Reports: Haynes walked through the Advance CTE FY21 financials, which have been reconciled through November 30, 2021 or 42 percent of the fiscal year. Advance CTE has received 80 percent of its budgeted income for the year, which is on track. There are currently three states/territories that have outstanding dues payments: California, Tennessee, and Ohio. Advance CTE was below target on Associate Memberships due to a higher percentage of turnover, resignations, and retirements than anticipated. There were 275 total registrations for the Fall Meeting which exceeded the registration goal of 250. Haynes noted that income for the Fall Meeting was still being received. Advance CTE received \$35,000 total in sponsorships which exceeded the \$32,160 target.

Advance CTE's expenses are only at 28 percent of the budget and expenses are expected to increase this Spring as travel and in-person meetings are expected to resume. Advance CTE was below target in expenses for the Fall Meeting due to the branding being done in-house. The primary expenses for Advance CTE are staff related costs, operational costs such as rent, accounting, publications, subscriptions, and consulting costs.

Next, Haynes gave an overview of The Center to Advance CTE's FY21 financials, which have also been reconciled through November 30, 2021. The Center has received 84 percent of its budgeted income. The Center received several new grants between October and December 2021. Haynes noted that funders are recognizing the organization's work and they are seeking out the organization to offer grant opportunities. The recent grants received were a \$400,000 grant from Annie E. Casey for work regarding the stimulus, a five-month \$65,000 subgrant from JFF to support phase one of the Stimulus2Systems project, a two-year \$300,000 grant from Walton Family Foundation to support CTE funding research and the CTE without Borders project, and a small \$15,000, fifteen-month grant from Gates through the College in High School Alliance to continue developing the strategic plan and federal advocacy playbook.

The Center's expenses were at 24 percent of its budgeted expenses, which include salary and benefits, rent, consultants, technology subscriptions, and audit and accounting fees. Haynes noted that expenses are below budget on several grants due to recent staff turnover. However, those positions have been filled and management expects to have a new Director of Communications and Membership join the team next month in addition to two new Senior Policy Associates and a Policy Associate. With the increase in staffing, Haynes said there will be an increase in the expenses.

Haynes shared that the organization's investments are doing well. Advance CTE had a 6.44 percent overall rate of return and The Center to Advance CTE had an 8.28 percent overall rate of return. The investment summary provided by Merrill Lynch showed that in 2021 the combined returns for the organization were up about 16 percent and over the last three years, the accounts were up a total of 48 percent.

Heath asked for approval of the FY21 financial reports.

**MOTION: To approve the Advance CTE and The Center to Advance CTE FY21 financial reports, as presented.
Graham; Beard.
MOTION APPROVED.**

Heath announced the next meeting will be held on March 30, 2022.

Heath called the Advance CTE Finance/Audit Committee Meeting to a close at 4:02 p.m. EST.

Advance CTE/The Center to Advance CTE Executive Investment Recommendation Summary March 2022

It has been almost two years since the world was shaken by a deadly and unpredictable virus. The stock market at one point in 2020 was down more than 34%. By the end of the year the market was up double digits. Many investors without guidance sold on the fear factor and then went on to watch a significant recovery. This recovery was helped by the environment of very low interest rates.

What a big difference time and a few trillion dollars of stimulus makes in the markets. The combined returns for the Association and foundation for year-end 2021 were up about 16%. Over the last three years the Association and Foundation accounts are up a total of about 48%. Currently the markets are down due to international and domestic issues. Both the Association and foundation accounts are over-weighted in defensive sectors and have performed better than the general market, but are still down for this year. We have also seen interest rates rise with the anticipation that this trend will continue this year.

Due to this high return of stocks we recently recommended changing the investment policy statement to allow for a wider range of stocks. This was recently approved by the board. Currently the combined Association and Foundation stock holdings are about 60%. This is well within the revised range. Due to some recent deposits the cash levels for the Foundation and Association are particularly high. With money market rates very low (currently less than 0.3%) it is advisable to review the short-term needs for cash and perhaps add any excess to dividend oriented stocks. It is also important to note that interest rates are expected to rise in 2022 due to inflation concerns. Bonds move inversely with interest rates so adding to bonds later this year could also be a good option. As rates rise we would adjust back to more fixed income exposure.

Summary of recommended changes:

The above changes are intended to improve long-term performance and increase income from fixed income investments. Certain sectors of the market are recommended to be over-weighted also to improve long-term performance. These are sectors that tend to perform well during a difficult economic environment and tend to lead the market when things improve.

No direct costs are associated with making these changes.

FY22 Advance CTE Financial Report
Report prepared by Krissy Haynes, Finance & Operations Manager

This report provides summary financial information for July 1, 2021 through February 28, 2022 or 66% of the fiscal year. The accountant has reconciled the financial statements through January 31, 2022, which means investments are reflected through this date.

A budget modification was approved by the Executive Director, Kimberly Green, on February 2, 2022. The budget modification resulted in a 4.6 percent decrease in income and a 3.7 percent decrease in expenses. Below is a summary of the budget changes:

- Reduced the Spring Meeting Registration income to \$70,750, which includes registration for 80 attendees at \$650 each to the State Leadership Retreat and 150 registrations at \$125 each for the June Meeting Series.
- Removed Spring Meeting Sponsorship Income as there will be no sponsors at the Spring State Leadership Retreat.
- Reduced Spring Meeting expenses to \$91,115, which includes costs for the Spring State Leadership Retreat and June Meeting Series.
- Removed Awards expenses as the Excellence in Action awards were cancelled due to staff capacity.

These changes were within the 10 percent threshold, so did not require Board approval.

INCOME: Advance CTE has received 91 percent of its budgeted income. 97 percent of state membership income has been received. State dues have been received from 53 states, with the remaining two state dues payments expected in the next month. Registration for the Spring State Leadership Retreat opened on March 4 and the June Meeting Series registration will open later this month, so income is expected to be received for these two events starting in March.

EXPENSES: Advance CTE has spent 44.7 percent of its budgeted expenses, which is below projections. The member services budget is below target as the organization was expected to complete a full rebuild of the website this fiscal year, but that work was delayed due to contract negotiations and will be starting this month and is expected to be completed in October. The member supports budget is below target as the New State Director in-person meeting has been cancelled due to staff turnover and new State Director participation. G&A expenses are slightly above target as investment fees are higher than anticipated. The expenses incurred thus far are operational expenses, publications and subscriptions, salaries and benefits and consulting costs. Expenses are expected to increase in the last quarter due to the in-person Spring State Leadership Retreat and Board Meeting.

Additional details regarding income and expenses can be found in the Explanatory Notes section of the accompanying budget.

ASSETS: Assets total \$5,754,322.15, with equity at \$5,265,406.87.

INVESTMENTS: The report from the Merrill Lynch advisor recommends reviewing the short-term needs for cash and add any excess to dividend oriented stocks. The portfolio has a -0.32% rate of return for FY22, with the equity portion at 1.45%, which is higher than the Dow Jones Index (-1.77%) and a little lower than the S & P 500 (1.78%).

Board action required: Approve FY22 financial reports.

FY22 Advance CTE Budget

	APPROVED FY22	Actuals as of 2/28/22	Actuals to Budget 66% of fiscal year	Explanatory Notes
INCOME				
State Memberships	\$561,749.00	\$544,582.00	96.9%	Received dues from 53 states. Dues still expected from Tennessee and California.
Associate & Organizational Memberships	\$81,175.00	\$78,650.00	96.9%	Associate memberships are below target due to increased number of job changes and retirements at the end of last fiscal year.
Spring meeting registration	\$70,750.00	\$0.00	0.0%	Registration opened in March 2022.
Fall meeting registration	\$50,000.00	\$61,256.00	122.5%	
Fall meeting sponsorships	\$32,160.00	\$35,000.00	108.8%	
UMass	\$8,500.00	\$3,000.00	35.3%	Second quarter payment was delayed and is expected in April 2022.
Interest/Dividend	\$50,000.00	\$46,997.95	94.0%	Interest through January 31, 2022.
Other income	\$26,000.00	\$30,500.39	117.3%	Small contract from Citizens and Scholars, Rand, and carried forward Wonder Strategies contract income to cover FY22 expenses.
TOTAL REVENUES	\$880,334.00	\$799,986.34	90.9%	
EXPENSES				
Allocated Expenses to Specific Projects				
Member Services	\$43,589.19	\$7,804.13	17.9%	Below budget due to the delay in the website rebuild. Expenses include consultants and operational expenses.
Member Supports	\$24,554.90	\$9,702.90	39.5%	Below budget due to the in-person New State Director Meeting being cancelled due to staff turnover and low new State Director participation. Expenses include finance and operations support as well as planning day meals for 1 staff member.
Government Relations	\$74,490.69	\$49,690.84	66.7%	On track. Expenses include Politico Pro subscription and federal policy consultant support.
Lobbying	\$2,345.00	\$570.00	24.3%	Below budget due to no local travel.
Fall Meeting	\$82,160.00	\$72,290.82	88.0%	Below budget due to creating the branding in house. Expenses for the Fall Meeting included production and event planning support.
Spring Meeting	\$91,115.00	\$4,070.00	4.5%	On track as planning kicked off in January. Expenses include salaries and benefits for the planning of the State Leadership Retreat.
Advance CTE Board	\$36,149.02	\$4,194.69	11.6%	On track. Majority of expenses will occur during the in-person Board Meeting in late FY22. Expenses include audit, insurance and President's gavel.
UMass	\$3,022.00	\$1,439.95	47.6%	On track. Expenses include staff time.
Subtotal - Specific Projects	\$357,425.80	\$149,763.33	42%	
Staffing & General & Administrative Expenses				
Non-contract Staff Time	\$436,575.00	\$181,748.93	41.6%	Below budget due to staff turnover. Expenses include staff time for Member Services, Member Supports, Government Relations, Lobbying, Communications, Fall Meeting, and Board. ¹⁰

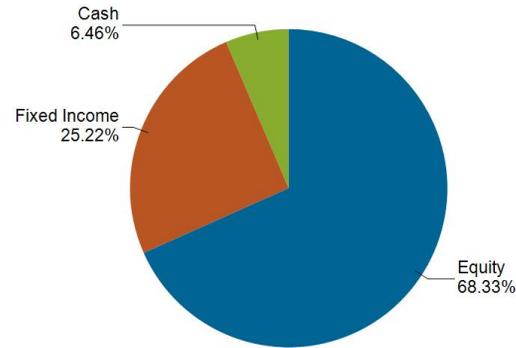
Total G&A Expenses (excluding staff time)	\$72,503.20	\$55,778.32	76.9%	Above target as investment fees are higher than anticipated.
Total G&A Expenses	\$509,078.20	\$237,527.25	46.7%	
Total Project Expenses	\$357,425.80	\$149,763.33	41.9%	
TOTAL EXPENSES	\$866,504.00	\$387,290.58	44.7%	
INCOME LESS EXPENSES	\$13,830.00	\$412,695.76		

**Advance CTE
Balance Sheet
As of February 28, 2022**

	Total
ASSETS	
Current Assets	
Bank Accounts	
1012 Cash-BOA Checking-Use This	358,066.39
1017 Merrill Lynch Cash - 749	274,834.64
1018 Merrill Lynch Cash - 7WD	67,353.77
Total Bank Accounts	\$ 700,254.80
Accounts Receivable	
1200 Accounts Receivable	45,072.91
Total Accounts Receivable	\$ 45,072.91
Other Current Assets	
1100 Investments	
1131 Government Bonds	932,147.83
1159 Equities	3,939,319.22
1299 Accrued Interest Receivable	2,357.39
Total 1100 Investments	\$ 4,873,824.44
1275 Security Deposit	9,000.00
1280 Due from Foundation	111,518.60
1300 Prepaid Expense	9,069.58
1499 Undeposited Funds	800.00
Total Other Current Assets	\$ 5,004,212.62
Total Current Assets	\$ 5,749,540.33
Other Assets	
1400 Furniture and Fixtures	33,200.78
1405 Accumulated Depreciation - Furniture and Fixtures	-29,112.43
1410 Equipment	10,697.65
1450 Accumulated Depreciation- Equipment	-10,004.18
Total Other Assets	\$ 4,781.82
TOTAL ASSETS	\$ 5,754,322.15
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable {105}	-1,212.78
Total Accounts Payable	-\$ 1,212.78
Other Current Liabilities	
2070 Accrued Vacation	102,210.32
2099 Deferred Revenue	7,679.00
2152 Deferred Revenue FY22 State Dues	193,736.00
2153 Deferred Revenue FY22 Associate Dues	25,280.00
Total 2099 Deferred Revenue	\$ 226,695.00
2102 Payroll Liabilities	264.30

Total Other Current Liabilities	\$ 329,169.62
Total Current Liabilities	\$ 327,956.84
Long-Term Liabilities	
2880 Deferred Rent and lease incentive	160,958.44
Total Long-Term Liabilities	\$ 160,958.44
Total Liabilities	\$ 488,915.28
Equity	
3000 Net Assets Without Donor Restrictions	3,677,148.59
3005 Net Assets With Donor Restrictions	25,000.00
3900 Earnings	1,261,116.42
Net Revenue	302,141.86
Total Equity	\$ 5,265,406.87
TOTAL LIABILITIES AND EQUITY	\$ 5,754,322.15

Asset Allocation: February 28, 2022



Asset Class	Market Value (\$)	% of Total
Equity	3,491,566	68.33
Fixed Income	1,288,609	25.22
Cash	330,014	6.46
Subtotal	5,110,189	100.00
Total	5,110,189	

Advance CTE
Advisory Program Fees
July 1, 2021 - February, 2022

ASSOCIATION 7WD-04H50			
Trade/Transaction Date	Description	Amount	
7/6/2021	Advisory Program Fee INV. ADVISORY FEE JUL	\$	874.94
8/3/2021	Advisory Program Fee INV. ADVISORY FEE AUG	\$	883.18
9/2/2021	Advisory Program Fee INV. ADVISORY FEE SEP	\$	879.95
10/4/2021	Advisory Program Fee INV. ADVISORY FEE OCT	\$	873.26
11/2/2021	Advisory Program Fee INV. ADVISORY FEE NOV	\$	872.60
12/2/2021	Advisory Program Fee INV. ADVISORY FEE DEC	\$	875.83
1/4/2022	Advisory Program Fee INV. ADVISORY FEE JAN	\$	871.77
2/2/2022	Advisory Program Fee INV. ADVISORY FEE FEB	\$	857.90
Total		\$	6,989.43

ASSOCIATION 749-04H01			
7/6/2021	Advisory Program Fee INV. ADVISORY FEE JUL	\$	3,129.59
8/3/2021	Advisory Program Fee INV. ADVISORY FEE AUG	\$	3,195.49
9/2/2021	Advisory Program Fee INV. ADVISORY FEE SEP	\$	3,265.14
10/4/2021	Advisory Program Fee INV. ADVISORY FEE OCT	\$	3,403.66
11/2/2021	Advisory Program Fee INV. ADVISORY FEE NOV	\$	3,594.84
12/2/2021	Advisory Program Fee INV. ADVISORY FEE DEC	\$	3,554.27
1/4/2022	Advisory Program Fee INV. ADVISORY FEE JAN	\$	3,698.04
2/2/2022	Advisory Program Fee INV. ADVISORY FEE FEB	\$	3,511.79
Total		\$	27,352.82

Total Fees All Accounts	\$	34,342.25
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Time Weighted Rate of Return by Period: Yearly



Performance period: 07/01/2021 to 02/28/2022

Period	Opening Balance(\$)	Contributions/ (Withdrawals)(\$)	Interest/ Dividends(\$)	Appreciation/ (Depreciation)(\$)	Closing Balance(\$)	ROR Period(%)	ROR Cum(%)
2022	5,456,689	0	5,750	(352,250)	5,110,189	(6.35)	(0.32)
2021	4,778,100	350,000	56,671	271,918	5,456,689	6.44	6.44
Total	4,778,100	350,000	62,421	(80,332)	5,110,189		(0.32)

Note that various factors, including unpriced securities, and certain adjustments, holdings or activity may cause report results to differ from actual performance. Report results may also differ from results reported by other Merrill services. Past performance does not guarantee future results.

Relative Performance - Equity: Yearly

Performance period: 07/01/2021 to 02/28/2022

Period	Actual ROR(%)		Dow Jones Industrial Average PR(%)		Dow Jones Industrial Avg TR(%)		MSCI Emerging Markets TR Net(%)		MSCI World ex USA TR Net(%)		S&P 500 PR(%)		S&P 500 TR(%)	
	Year	Cum	Year	Cum	Year	Cum	Year	Cum	Year	Cum	Year	Cum	Year	Cum
2022	(7.97)	1.45	(6.73)	(1.77)	(6.43)	(0.54)	(4.83)	(13.67)	(5.90)	(3.58)	(8.23)	1.78	(8.01)	2.72
US Equity	(7.97)	1.45												
2021	10.24	10.24	5.32	5.32	6.29	6.29	(9.30)	(9.30)	2.46	2.46	10.91	10.91	11.67	11.67
US Equity	10.24	10.24												

With respect to performance shown, various factors, including unpriced securities, and certain adjustments, holdings or activity may cause report results to differ from actual performance. Report results may also differ from results reported by other Merrill services. Past performance does not guarantee future results.

Reference Indices are included in this report as a general source of information regarding the performance of various types of investments. Allocation models and Indices should not be used to benchmark the performance of a specific account or portfolio. Your Financial Advisor can provide further information regarding the particular allocation models and Indices shown, including how the composition of an index compares to the composition of your account or portfolio.

FY22 The Center to Advance CTE Financial Report
Report prepared by Krissy Haynes, Finance & Operations Manager

This report provides summary financial information for July 1 through February 28, 2022 or 66% of the fiscal year. The accountant has reconciled the financial statements through January 31, 2022, which means investments are reflected through this date.

A budget modification was approved by the Board on February 25. The budget modification added \$474,570 in income and expenses for five new grants: Walton Family Foundation (\$130,220), Joyce 3.0 (\$71,850), Annie E. Casey (\$200,000), JFF Stimulus (\$65,000), and CHSA-Gates 2 (\$7,500).

INCOME: The Center to Advance CTE has received 90 percent of its budgeted income. All remaining funding is expected to be received, with the exception of the next payment from ECMC Fellows. This payment is delayed as the organization must spend at least eighty percent of the initial payment before the second payment can be received. The project timeline shifted earlier this fiscal year, so the second payment is expected in early FY23 when the second cohort of Fellows begins. Due to recent world events, the stock market is on the decline so the interest and dividends for the year may also fall below target.

EXPENSES: The Center to Advance CTE has spent only 39 percent of its budgeted expenses. The organization has continued to endure some employee turnover this year, which has caused salaries and benefits to be below budget for many of the grants. While two employees have departed since January, we have hired five incredible employees since January. The new hires include a Director of Communications and Membership, two Senior Policy Associates and two Policy Associates. A majority of expenses incurred thus far are operational expenses, publications and subscriptions, salaries and benefits and consulting costs. We will see an increase in spending in the Spring as in-person meetings start to occur and staffing levels increase.

Additional details regarding income and expenses can be found in the Explanatory Notes section of the accompanying budget.

ASSETS: Assets total \$4,683,364.61, with equity at \$4,463,166.65.

INVESTMENTS: The report from the Merrill Lynch advisor recommends reviewing the short-term needs for cash and add any excess to dividend oriented stocks. The portfolio has an 1.86% rate of return for FY22, with the equity portion at 3.73%, which is higher than the Dow Jones Index (-1.77%) and the S & P 500 (1.78%).

Board action required: Approve FY22 financial reports.

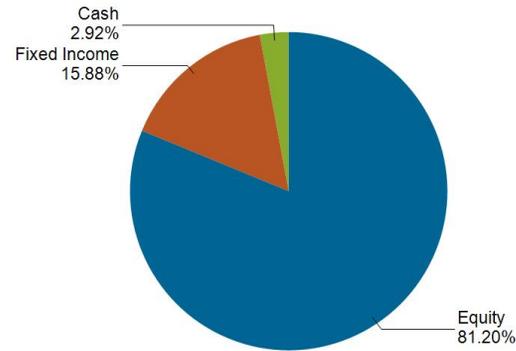
FY22 The Center to Advance CTE Budget				
	APPROVED FY22	Actuals as of 2/28/22	Actuals to Budget 66% of fiscal year	Explanatory Notes
Income				
Annie E. Casey	\$200,000.00	\$200,000.00	100.0%	
PAYA	\$113,566.49	\$113,566.49	100.0%	Grant ended on January 31, 2022. Another contract extension is expected.
Gates 3.0	\$374,050.00	\$374,050.00	100.0%	
Joyce 2.0	\$102,678.65	\$102,678.65	100.0%	Grant ends on March 31, 2022.
Joyce 3.0	\$71,850.00	\$71,850.00	100.0%	
NSFY Innovation	\$42,784.62	\$42,784.62	100.0%	Grant ends March 31, 2022.
New Skills (JPMC)	\$1,025,497.15	\$1,025,497.15	100.0%	
ECMC	\$264,700.01	\$264,700.01	100.0%	Carried over \$138,396.91 and received an additional \$310,000 in January. Recognizing a total of \$264,700.01 to cover FY22 expenses.
ECMC Fellows	\$456,720.00	\$375,836.80	82.3%	The second payment of \$429,000 is expected once 80 percent of the year one payment has been achieved.
Siemens 3.0	\$417,893.14	\$277,033.14	66.3%	Receiving final payment of \$140,860 in March 2022.
CHSA-ECMC	\$15,167.00	\$15,167.00	100.0%	
CHSA-Gates	\$4,651.46	\$4,651.46	100.0%	Grant ended on October 31, 2021.
CHSA-Gates 2	\$7,500.00	\$7,500.00	100.0%	
CHSA-Joyce	\$40,301.00	\$40,301.00	100.0%	
JFF Stimulus	\$65,000.00	\$65,000.00	100.0%	Grant ends on March 31, 2022.
Walton (WFF)	\$130,220.00	\$130,220.00	100.0%	
Other Income	\$0.00	\$426.75	n/a	Profit share from NOCTI.
Interest/Dividend	\$40,000.00	\$28,586.70	71.5%	Interest earned through January 2022.
Reserve Withdraw to balance budget	\$119,160.00	\$0.00	0.0%	No reserves have been withdrawn to date as interest is able to cover all Board and Development expenses and all Career Cluster-related expenses have been covered by the Gates grant.
Total	\$3,491,739.52	\$3,139,849.77	89.9%	
EXPENSES				
Allocated Expenses to Specific Projects				
Career Clusters	\$70,000.00	\$0.00	0.0%	No expenses to date as the Gates grant has covered the expenses.
Annie E. Casey	\$200,000.00	\$0.00	0.0%	No expenses to date. Work begins Spring 2022.
PAYA Expenses	\$113,566.49	\$15,594.64	13.7%	Below budget due to staff turnover resulting than lower than expected salaries and benefits spent on grant. Expenses for grant will increase in the Spring. Expect grant to be extended in order to spend down remaining funds. Expenses include staff salaries and benefits and overhead.
Gates 3.0 Expenses	\$374,050.00	\$167,673.16	44.8%	On track. Expenses include salary and benefits, Career Clusters, consulting, rent and overhead.
NSFY Innovation Expenses	\$42,784.62	\$42,600.52	99.6%	On track. Grant received no-cost extension through March to allow time to spend down remaining funds. Expenses include staff time and resource development.

New Skills Expenses	\$1,025,497.15	\$384,163.31	37.5%	On track as expenses will increase in the spring with travel and the website update beginning. Expenses include staff costs, finance and operations support, rent and overhead.
Joyce 2.0 Expenses	\$102,678.65	\$98,084.97	95.5%	On track. Grant received no-cost extension through March to allow for states to complete work and all stipends to be issued. Expenses include staff time, stipends, equity SSWG support, and a proportion of rent. Grant ends on March 31.
Joyce 3.0 Expenses	\$71,850.00	\$1,300.46	1.8%	On track. Grant started January 1. Expenses include salaries and benefits.
ECMC Expenses	\$264,700.01	\$97,844.64	37.0%	On track as expenses increase in Spring with state grants and travel starting and release of final state subgrants. Expenses include staff time, state subgrants, contractors and overhead.
ECMC Fellows Expenses	\$456,720.00	\$161,107.68	35.3%	Below budget due to an intentional shift in the timeline for the project, delayed start of cohort one to give a longer runway for the development of robust marketing and curriculum. Remaining funds will rollover into next years budget. Expenses include staff time, strategic advising, application portal, finance and operations support and overhead.
Siemens 3.0 Expenses	\$417,893.14	\$272,055.75	65.1%	On track. Expenses include staff time, Constant Contact annual subscription and overhead.
CHSA-ECMC	\$15,167.00	\$3,293.92	21.7%	Below budget due to staff turnover resulting in lower than expected salaries and benefits spent on grant.
CHSA-Gates	\$4,651.46	\$4,651.46	100.0%	Grant ended on budget.
CHSA-Gates 2	\$7,500.00	\$47.56	0.6%	On track. Grant began in January 2022. Expenses include salaries and benefits.
CHSA-Joyce	\$40,301.00	\$20,879.29	51.8%	On track. Expenses include staff time and CHSA Steering Committee dues.
JFF Stimulus	\$65,000.00	\$43,073.63	66.3%	On track. Expenses include staff time and travel.
Walton (WFF)	\$130,220.00	\$26,808.89	20.6%	On track. Expenses include staff time and consultant support of roundtables and funding research.
Development	\$12,200.00	\$987.90	8.1%	While the majority of expenses occur in the Spring 2022, we will likely be underspent in this category due to limited travel.
Board expenses	\$28,960.00	\$10,327.98	35.7%	On track as majority of expenses occur in the Spring 2022.
Project-based internal staff time and benefits	\$46,800.00	\$11,990.24	25.6%	Internal staff time and benefits to support development and Board.
Subtotal for Specific Projects	\$3,490,539.52	\$1,362,486.00	39.0%	
General & Administrative Expenses				
Direct staff and benefits	\$1,200.00	\$908.29	75.7%	G&A staff time and benefits.
G&A Expenses	n/a	\$0.00	n/a	
Total G&A expenses	\$1,200.00	\$908.29	75.7%	
Total project expenses	\$3,490,539.52	\$1,362,486.00	39.0%	
TOTAL EXPENSES	\$3,491,739.52	\$1,363,394.29	39.0%	
INCOME LESS EXPENSES	\$0.00	\$1,776,455.48		

The Center to Advance CTE
Balance Sheet
As of February 28, 2022

	Total
ASSETS	
Current Assets	
Bank Accounts	
1010 Cash - Bank of America	1,543,074.71
1017 Cash - Merrill Lynch	50,711.22
1018 Cash - Merrill Lynch# 03248	31,959.70
Total Bank Accounts	\$ 1,625,745.63
Other Current Assets	
1050 Mutual Funds	3,045,973.20
1350 Prepaid expense	383.64
Total Other Current Assets	\$ 3,046,356.84
Total Current Assets	\$ 4,672,102.47
Fixed Assets	
1100 Furniture	19,885.35
1101 Accumulated Depreciation-Furniture	-14,563.19
1120 Equipment	56,673.31
1121 Accumulated Depreciation-Equipment	-50,733.33
Total Fixed Assets	\$ 11,262.14
TOTAL ASSETS	\$ 4,683,364.61
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 *Accounts Payable	220,197.96
Total Accounts Payable	\$ 220,197.96
Total Current Liabilities	\$ 220,197.96
Total Liabilities	\$ 220,197.96
Equity	
3900 Net Assets Without Donor Restriction	1,786,409.92
3902 Net Assets With Donor Restrictions	196,442.46
Net Income	2,480,314.27
Total Equity	\$ 4,463,166.65
TOTAL LIABILITIES AND EQUITY	\$ 4,683,364.61

Asset Allocation: February 28, 2022



Asset Class	Market Value (\$)	% of Total
Equity	2,483,208	81.20
Fixed Income	485,489	15.88
Cash	89,333	2.92
Subtotal	3,058,029	100.00
Total	3,058,029	

Center to Advance CTE
Advisory Program Fees
July 1, 2021 - February 28, 2022

FOUNDATION 749-04G96

Trade/Transaction Date	Description	Amount
	Advisory Program Fee	
7/6/2021	INV. ADVISORY FEE JUL	\$ 2,475.24
	Advisory Program Fee	
8/3/2021	INV. ADVISORY FEE AUG	\$ 2,523.70
	Advisory Program Fee	
9/2/2021	INV. ADVISORY FEE SEP	\$ 2,573.25
	Advisory Program Fee	
10/4/2021	INV. ADVISORY FEE OCT	\$ 2,467.84
	Advisory Program Fee	
11/2/2021	INV. ADVISORY FEE NOV	\$ 2,591.07
	Advisory Program Fee	
12/2/2021	INV. ADVISORY FEE DEC	\$ 2,569.40
	Advisory Program Fee	
1/4/2022	INV. ADVISORY FEE JAN	\$ 2,682.40
	Advisory Program Fee	
	INV. ADVISORY FEE FEB	\$ 2,580.57
Total		\$ 20,463.47

FOUNDATION 7WD-03248

	Annual Service Fee	
7/8/2021	EMA ANNUAL FEE	\$ 4.00
	Annual Service Fee	
9/1/2021	EMA ANNUAL FEE	\$ 1.13
Total		\$ 5.13

Total Fees All Accounts	\$	20,468.60
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Time Weighted Rate of Return by Period: Yearly



Performance period: 07/01/2021 to 02/28/2022

Period	Opening Balance(\$)	Contributions/ (Withdrawals)(\$)	Interest/ Dividends(\$)	Appreciation/ (Depreciation)(\$)	Closing Balance(\$)	ROR Period(%)	ROR Cum(%)
2022	3,250,835	0	1,447	(194,252)	3,058,029	(5.93)	1.86
2021	3,002,243	0	28,295	220,296	3,250,835	8.28	8.28
Total	3,002,243	0	29,742	26,044	3,058,029		1.86

Note that various factors, including unpriced securities, and certain adjustments, holdings or activity may cause report results to differ from actual performance. Report results may also differ from results reported by other Merrill services. Past performance does not guarantee future results.

Relative Performance - Equity: Yearly



Performance period: 07/01/2021 to 02/28/2022

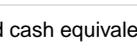
Period	Actual ROR(%)		Dow Jones Industrial Average PR(%)		Dow Jones Industrial Avg TR(%)		MSCI Emerging Markets TR Net(%)		MSCI World ex USA TR Net(%)		S&P 500 PR(%)		S&P 500 TR(%)	
	Year	Cum	Year	Cum	Year	Cum	Year	Cum	Year	Cum	Year	Cum	Year	Cum
2022	(6.57)	3.73	(6.73)	(1.77)	(6.43)	(0.54)	(4.83)	(13.67)	(5.90)	(3.58)	(8.23)	1.78	(8.01)	2.72
US Equity	(6.57)	3.73												
2021	11.03	11.03	5.32	5.32	6.29	6.29	(9.30)	(9.30)	2.46	2.46	10.91	10.91	11.67	11.67
US Equity	11.03	11.03												

With respect to performance shown, various factors, including unpriced securities, and certain adjustments, holdings or activity may cause report results to differ from actual performance. Report results may also differ from results reported by other Merrill services. Past performance does not guarantee future results.

Reference Indices are included in this report as a general source of information regarding the performance of various types of investments. Allocation models and Indices should not be used to benchmark the performance of a specific account or portfolio. Your Financial Advisor can provide further information regarding the particular allocation models and Indices shown, including how the composition of an index compares to the composition of your account or portfolio.

Sector Analysis - Summary

As of Close of Business: 03/15/2022

Sector	Total Holdings(%)		Current(%)	Model(%)	Gap-Model vs. Current(%)	All Equity compared to Custom Model		
	0%	50%				ML Holdings(\$)	Model(\$)	Gap-Model vs. Holdings(\$)
Equity								
Health Care			13.91	13.30	(0.61)	813,506	1,061,808	248,302
Consumer Staples			11.64	6.10	(5.54)	680,846	486,995	(193,851)
Information Technology			24.58	27.80	3.22	1,437,611	2,219,418	781,807
Consumer Discretionary			9.90	12.90	3.00	579,024	1,029,874	450,850
Industrials			12.29	8.20	(4.09)	719,075	654,649	(64,427)
Materials			3.14	2.60	(0.54)	183,852	207,572	23,720
Financials			13.21	10.60	(2.61)	772,425	846,253	73,828
Communication Services			4.99	10.90	5.91	291,704	870,204	578,499
Utilities			3.47	2.70	(0.77)	202,842	215,555	12,713
Energy			1.75	2.50	0.75	102,508	199,588	97,080
Real Estate			1.11	2.40	1.29	65,188	191,604	126,417
Equities Blend			0.00	0.00	0.00	0.24	0	(0.24)
Total						5,848,581		

* Total represents the sum of all cash and cash equivalents including short positions with associated credit balances.

Sector Analysis - Summary

As of Close of Business: 03/15/2022

Date of Composition Information Obtained for Pooled Investments

If the accounts included in this analysis hold mutual funds, closed end funds, annuities, 529 portfolios, or external account proxies, the portfolio holdings reported by the fund as of the date identified below are reflected in the current portfolio analysis. Note that mutual funds change their portfolio holdings on a regular (often daily) basis. Accordingly, this analysis may not accurately reflect the current composition of the accounts included.

Mutual Funds

Security	Security Description	Data As Of	Security	Security Description	Data As Of
PHSZX	PGIM JENNISON	01/31/2022			

Exchange Traded Funds

Security	Security Description	Data As Of	Security	Security Description	Data As Of
PAVE	GLOBAL X FUNDS SHS US	01/31/2022	IYH	ISHARES U.S. HEALTHCARE	01/31/2022
QQQ	INVESCO QQQ TR SER 1	01/31/2022	IYW	ISHARES U.S. TECHNOLOGY	01/31/2022
DGRO	ISH TR CORE DIVID GROWTH	01/31/2022	VOX	VANGUARD COMMUNICATION	01/31/2022
SHY	ISHARES 1-3 YEAR	No Date Reported	VCR	VANGUARD CONSUMER	01/31/2022
IEI	ISHARES 3-7 YEAR	No Date Reported	VIG	VANGUARD DIVIDEND	01/31/2022
IWR	ISHARES RUSSELL MIDCAP	01/31/2022	VYM	VANGUARD HIGH DVD YIELD	01/31/2022
DVY	ISHARES SELECT	01/31/2022	VIS	VANGUARD INDUSTRIAL ETF	01/31/2022
IGSB	ISHARES TR ISHARES 1-5	No Date Reported	VAW	VANGUARD MATERIALS ETF	01/31/2022
IGIB	ISHARES TR ISHARES 5-10	No Date Reported	BND	VANGUARD TOTAL BOND MKT	No Date Reported
IYK	ISHARES U.S. CONSUMER	01/31/2022	DGRW	WISDOMTREE U.S. QUALITY	01/31/2022
IYF	ISHARES U.S. FINANCIAL	01/31/2022	DTD	WISDOMTREE US TOTAL	01/31/2022

Size and Style Analysis - Summary

As of Close of Business: 03/15/2022

Size And Style	Total Holdings(%)		Gap-Model vs. Current(%)			All Equity compared to Custom Model		
	0%	50%	Current(%)	Model(%)	Gap-Model vs. Current(%)	ML Holdings(\$)	Model(\$)	Gap-Model vs. Holdings(\$)
Equity								
Large Cap Growth			41.49	33.00	(8.49)	2,426,809	2,634,561	207,752
Large Cap Value			36.60	26.00	(10.60)	2,140,795	2,075,715	(65,080)
Small/Mid Cap Growth			5.71	8.00	2.29	334,000	638,682	304,681
Small/Mid Cap Value			14.67	8.00	(6.67)	858,254	638,682	(219,573)
International Equity			1.07	25.00	23.93	62,698	1,995,880	1,933,182
Equities Blend			0.44	0.00	(0.44)	26,024	0	(26,024)
Total Equity Assets						5,848,581		

* Total represents the sum of all cash and cash equivalents including short positions with associated credit balances.

Size and Style Analysis - Summary

As of Close of Business: 03/15/2022

Date of Composition Information Obtained for Pooled Investments

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Mutual Funds

Security	Security Description	Data As Of	Security	Security Description	Data As Of
PHSZX	PGIM JENNISON	01/31/2022			

Exchange Traded Funds

Security	Security Description	Data As Of	Security	Security Description	Data As Of
PAVE	GLOBAL X FUNDS SHS US	01/31/2022	IYH	ISHARES U.S. HEALTHCARE	01/31/2022
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IYK	ISHARES U.S. CONSUMER	01/31/2022	DGRW	WISDOMTREE U.S. QUALITY	01/31/2022
IYF	ISHARES U.S. FINANCIAL	01/31/2022	DTD	WISDOMTREE US TOTAL	01/31/2022