

PERKINS ALLOWABLE AND UNALLOWABLE EXPENDITURES

This is not a complete list of allowable/unallowable costs as it relates to Perkins. The allowability of a particular expenditure should be determined by considering the grant's purpose, requirements of the Carl D. Perkins Act of 2006, and any pertinent Federal cost guidelines. All costs must be directly tied to the CTE program as approved in the local Perkins application plan. When in doubt, ASK!

ALLOWABLE EXPENDITURES

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| <ul style="list-style-type: none"> • Administrative costs • Audit costs in accordance with the Single Audit Act (OMB Circular A 133) • Bonding costs • Career guidance and counseling • Communication costs (publications, postage) • Compensation for Instructors (salaries, wages, fringe benefits) • Contracted services • CTSO advisor costs (advisor extra-duty pay/stipend, advisor travel, and instructional materials/supplies) <ul style="list-style-type: none"> ○ Funding may not be used to pay for student membership dues, conference/competition registration, travel, lodging, etc. • Curriculum development • Displays, demonstrations, and exhibits of CTE coursework/projects • Equipment for approved CTE instruction • Excursions/extended learning opportunities tied directly to CTE coursework <ul style="list-style-type: none"> ○ General, exploratory college tours/visits are unallowable • Indirect costs (limited to 5%) • Instructional materials and supplies • Instructor travel, meals, lodging, etc. for approved CTE travel identified in current year Perkins plan • Marketing and outreach activities (newspapers, radio/TV, magazines) • Meetings and conferences <ul style="list-style-type: none"> ○ Must be properly documented and follow all basic cost principles - there is a significant burden of evidence required for food/drink purchases for meetings and conferences. When in doubt, ASK!) | <ul style="list-style-type: none"> • Memberships and subscriptions in business, professional, technical groups/associations <ul style="list-style-type: none"> ○ Membership must be for the position, not the person • Professional development costs • Professional service costs (consultants) • Program evaluation • Publication and printing costs • Remedial services (curriculum modification, equipment modification, classroom modification, supportive personnel, and instructional aids and devices) <ul style="list-style-type: none"> ○ Perkins dollars may not be used to fund remedial courses (courses designed to provide instruction in reading, writing, and mathematics for students who have not acquired the basic academic skills necessary to succeed in general or in career and technical education courses) • Rental/lease costs of buildings and equipment • Stipends • Substitute teachers (salary and benefits) <ul style="list-style-type: none"> ○ Time & Effort reporting still required for substitute teachers • Teacher in-service • Technical skill assessments (industry recognized certification exams/assessments) • Transportation costs (associated with excursions/extended learning opportunities tied directly to CTE coursework) |
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UNALLOWABLE EXPENDITURES

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| <ul style="list-style-type: none"> • Administrative or supervisory salaries <ul style="list-style-type: none"> ◦ May be charged as an indirect up to 5% of award • Advertising and public relations designed to solely promote the LEA (not tied directly and exclusively to CTE) • Advisory councils • Alcoholic beverages • Alumni/ae activities • Audits other than the A-133 Single Audit • Bad debts (losses from uncollectible accounts) • Child care • Commencement and convocation costs • Conference travel unrelated to career and technical education program improvement • Construction, renovation, and/or remodeling of facilities • Consumable supplies to be made into products <i>to be sold or to be used personally</i> by students, teachers, or other persons • Contingency or “petty cash” funds • Contributions and donations • Copyrights/patents • CTSO student costs (membership dues/registration fees, items retained by student/advisor, social activity/ assemblage, travel expenses, refreshments/meals) • Dues/memberships to professional organizations or societies (for individuals) • Entertainment • Equipment and supplies for building maintenance • Equipment or supplies not used directly to teach skills to students, including electronic student response systems (e.g. Quizdoms) • Equipment solely for use by the teacher, administrator or other staff members • Excessive installation costs for equipment purchased with Perkins funds | <ul style="list-style-type: none"> • Expenditures for adult/postsecondary programs using secondary funds • Expenditures for CTE courses prior to the 7th grade • Expenditures for non-approved CTE programs • Expenditures that supplant • Fines and penalties • Food/drink • Fundraising • Gifts, door prizes, etc. • Goods or services for personal use • Insurance/Self-Insurance • Interest and other financial costs • Items retained by student (supplies, clothing/uniform, tools, PDAs, calculators) • Lobbying and other political activities • Maintenance contracts or agreements • Monetary awards • Non-instructional furniture (bookcases, drawers, file cabinets, lateral files) • Payments to students (stipend or ongoing) • Pre-award costs • Promotional materials (t-shirts, pens, cups, key chains, book bags) • Purchase or lease of passenger vehicles including automobiles, trucks, buses, utility vehicles, airplanes, boats, and golf carts • Purchase or construction of buildings/facilities, including permanent modifications to existing buildings/facilities • Remedial courses (courses designed to provide instruction in reading, writing, and mathematics for students who have not acquired the basic academic skills necessary to succeed in general or in career and technical education courses) • Scholarships • Standard classroom furniture, files, and equipment not specific and unique to the instructional program (tables, chairs, desks) • Student expenses/direct assistance to students (tuition, fees, insurance, other expenses) |
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BASIC COST PRINCIPLES

In addition to the required and permissive uses outlined in Section 135 of the Carl D. Perkins Act of 2006, all expenditures of Perkins funds must meet the basic cost principles outlined in the Office of Management and Budget (OMB) Circulars, the most current of which being 2 CFR 200 (the “Super circular”). The cost principles of 2 CFR 200 are the basic guidelines describing permissible ways federal funds may be spent. The expenditure of Perkins funding is further regulated by the Education Department General Administrative Regulations (EDGARs). The general principles 2 CFR 200 state that for costs to be allowable, they must be:

- **Reasonable and necessary** (meaning that, for example, sound business practices were followed, and purchases were comparable to market prices);
 - A cost may be reasonable if the nature of the goods or services acquired and the amount involved reflect the action that a prudent person would have taken under the circumstances prevailing at the time the decision to incur the cost was made.
- **Allocable to the federal award** (meaning that the federal grant program, in this case Perkins, derived a benefit in proportion to the funds charged to the program – for example if fifty percent (50%) of an instructor’s salary is paid with Perkins funds, then that instructor must spend at least fifty percent (50%) of his or her time on a Perkins program);
- **Legal under state and local law;**
- **Properly documented** (and accounted for on a consistent basis with generally accepted accounting principles);
- **Consistent with the provisions of the grant program** (the Carl D. Perkins Act of 2006); and
- **Not used for cost-sharing or matching** any other grant agreement.

SECTION 135, CARL D. PERKINS ACT OF 2006

REQUIRED USES OF FUNDS

1. strengthen the academic and career and technical skills of students participating in CTE programs, by strengthening the academic and CTE components of such programs through the integration of academics with CTE programs through a coherent sequence of courses, such as career and technical programs of study to ensure learning in—
 - a. the core academic subjects; and
 - b. CTE subjects;
2. link CTE at the secondary level and CTE at the postsecondary level, including by offering the relevant elements of not less than one program of study;
3. provide students with strong experience in and understanding of all aspects of an industry, which may include work-based learning experiences;
4. develop, improve, or expand the use of technology in CTE, which may include—
 - a. training of CTE teachers, faculty, and administrators to use technology, which may include distance learning;
 - b. providing CTE students with the academic and career and technical skills (including the mathematics and science knowledge that provides a strong basis for such skills) that lead to entry into the technology fields; or
 - c. encouraging schools to collaborate with technology industries to offer voluntary internships and mentoring programs, including programs that improve the mathematics and science knowledge of students;
5. provide professional development programs that are consistent with section 122 to secondary and postsecondary teachers, faculty, administrators, and career guidance and academic counselors who are involved in integrated CTE, including—
 - a. in-service and pre-service training on—
 - i. effective integration and use of challenging academic and career and technical education provided jointly with academic teachers to the extent practicable;
 - ii. effective teaching skills based on research that includes promising practices;
 - iii. effective practices to improve parental and community involvement; and
 - iv. effective use of scientifically based research and data to improve instruction;
 - b. support of education programs for teachers of CTE in public schools and other public school personnel who are involved in the direct delivery of educational services to CTE students, to ensure that such teachers and personnel stay current with all aspects of an industry;
 - c. internship programs that provide relevant business experience; and
 - d. programs designed to train teachers specifically in the effective use and application of technology to improve instruction;
6. develop and implement evaluations of the CTE programs carried out with funds under this title, including an assessment of how the needs of special populations are being met;
7. initiate, improve, expand, and modernize quality CTE programs, including relevant technology;
8. provide services and activities that are of sufficient size, scope, and quality to be effective; and
9. provide activities to prepare special populations, including single parents and displaced homemakers who are enrolled in CTE programs, for high-skill, high-wage, or high-demand occupations that will lead to self-sufficiency.

*It is the Office of Career Technical and Adult Education's (OCTAE) policy that while a recipient must demonstrate that it is complying with all required uses; the recipient does not have to use federal Perkins funds to satisfy all required uses.

PERMISSIVE USES OF FUNDS

As long as all required uses are being addressed, a recipient *may* use Perkins funds for the following permissive uses:

1. to involve parents, businesses, and labor organizations as appropriate, in the design, implementation, and evaluation of CTE programs authorized under this title, including establishing effective programs and procedures to enable informed and effective participation in such programs;
 - a. to provide career guidance and academic counseling for students participating in CTE programs, that—
 - b. improves graduation rates and provides information on postsecondary and career options, including baccalaureate degree programs, for secondary students, which activities may include the use of graduation and career plans; and
 - c. provides assistance for postsecondary students, including for adult students who are changing careers or updating skills;
2. for local education and business (including small business) partnerships, including for—
 - a. work-related experiences for students, such as internships, cooperative education, school-based enterprises, entrepreneurship, and job shadowing that are related to CTE programs;
 - b. adjunct faculty arrangements for qualified industry professionals; and
 - c. industry experience for teachers and faculty;
3. to provide programs for special populations;
4. to assist career and technical student organizations;
5. for mentoring and support services;
6. for leasing, purchasing, upgrading or adapting equipment, including instructional aids and publications (including support for library resources) designed to strengthen and support academic and technical skill achievement;
7. for teacher preparation programs that address the integration of academic and CTE and that assist individuals who are interested in becoming CTE teachers and faculty, including individuals with experience in business and industry;
8. to develop and expand postsecondary program offerings at times and in formats that are accessible for students, including working students, through the use of distance education;
9. to develop initiatives that facilitate the transition of sub-baccalaureate CTE students into baccalaureate degree programs, including—
 - a. articulation agreements between sub-baccalaureate degree granting CTE postsecondary educational institutions and baccalaureate degree granting postsecondary educational institutions;
 - b. postsecondary dual and concurrent enrollment programs;
 - c. academic and financial aid counseling for sub-baccalaureate CTE students that informs the students of the opportunities for pursuing a baccalaureate degree and advises the students on how to meet any transfer requirements; and
 - d. other initiatives—
 - i. to encourage the pursuit of a baccalaureate degree; and
 - ii. to overcome barriers to enrollment in and completion of baccalaureate degree programs, including geographic and other barriers affecting rural students and special populations;
10. to provide activities to support entrepreneurship education and training;
11. for improving or developing new CTE courses, including the development of new proposed career and technical programs of study for consideration by the eligible agency and courses that prepare individuals academically and technically for high-skill, high-wage, or high-demand occupations and dual or concurrent enrollment opportunities by which CTE students at the secondary level could obtain postsecondary credit to count towards an associate or baccalaureate degree;
12. to develop and support small, personalized career themed learning communities;

13. to provide support for family and consumer sciences programs;
14. to provide CTE programs for adults and school dropouts to complete the secondary school education, or upgrade the technical skills, of the adults and school dropouts;
15. to provide assistance to individuals who have participated in services and activities under this Act in continuing their education or training or finding an appropriate job;
16. to support training and activities (such as mentoring and outreach) in nontraditional fields;
17. to provide support for training programs in automotive technologies;
18. to pool a portion of such funds with a portion of funds available to not less than 1 other eligible recipient for innovative initiatives, which may include—
 - a. improving the initial preparation and professional development of career and technical education teachers, faculty, administrators, and counselors;
 - b. establishing, enhancing, or supporting systems for—
 - i. accountability data collection under the Perkins Act; or
 - ii. reporting data under the Perkins Act;
 - c. implementing career and technical programs of study; or
 - d. implementing technical assessments; and
19. to support other CTE activities that are consistent with the purpose of the Perkins Act.