

# Perkins V

## Local Application Guide

Strengthening Career & Technical Education  
For the 21st Century Act



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## *General Information*

This guide is intended to be used as a resource to eligible recipients of the Strengthening Career & Technical Education Act for the 21st Century Act (Perkins V). While the purpose of this guide is to provide a basic understanding of federal and state requirements for the administration of Perkins V funds, please note that policies and procedures are consistently changing. For questions, concerns, or additional clarifications, please refer to USBE Staff or Administration:

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## *Purpose*

The purpose of the “Strengthening Career & Technical Education for the 21st Century Act” (Perkins V) is to develop more fully the academic knowledge and technical and employability skills of secondary students and postsecondary education students who elect to enroll in career and technical education programs of study, by -

- Building on the efforts of states and localities to develop challenging academic and technical standards, and to assist students in meeting the standards, including preparation for high-skill, high-wage or high-demand occupations in current or emerging professions;
- Promoting the development of services and activities that integrate rigorous and challenging academic and technical instruction, and that link secondary and postsecondary education for participating students;
- Increasing State and local flexibility in providing services and activities designed to develop, implement, and improve career and technical education;
- Conducting and disseminating national research and disseminating information on best practices that improve career and technical education programs and programs of study, services, and activities;
- Providing technical assistance that promotes leadership and professional development and improves the quality of career and technical education faculty, administrators, and counselors;
- Supporting partnerships among educational levels, business and industry, and local workforce investment boards;
- Providing individuals with opportunities throughout their lifetimes to develop the knowledge and skills needed to keep the United States competitive;
- Increasing the employment opportunities for populations who are chronically unemployed or underemployed, including individuals with disabilities, individuals from economically disadvantaged families, out-of-workforce individuals, you who are in, or have aged out of the foster care system, and homeless individuals.

### ***Perkins V Grant Administration***

The Utah State board of Education is the sole state agency that receives, disburses and provides general oversight of federal grant monies received from this Act to secondary and postsecondary educational institutions that have eligible career & technical education programs.

Although Congress identifies the minimum requirements for funding use, the Utah State Board of Education has the authority to raise the standards. This helps assure that schools are using funds for program development and improvement rather than maintenance.

### ***Allocation***

As dictated by Perkins V, States are required to allocate at least 85% of Perkins funds to eligible recipients by a formula allocation process. 10% of the funds are set-aside for leadership activities and 5% for administration.

It has been determined that distribution and allocation of Formula funds will be set at 60% for Secondary institutions and 40% for postsecondary institutions. The split is based on the number of students served in CTE Programs, number of eligible recipients including the expansion of Secondary programs to the middle grades.

Reserve funds will be made available in a competitive format of available funds awarded between secondary and postsecondary sub-recipients. All Perkins V funds will be allocated according to the requirements of the “Strengthening Career and Technical Education for the 21st Century Act (Perkins V).

In an effort to encourage eligible recipients to form regional consortium for application of formula funds, additional funds will be made available for this type of consortium. To qualify as a regional consortium, all eligible secondary and postsecondary local recipients within a Utah Department of Workforce Service Region must participate. These regional consortia will receive an additional award of at least \$100,000 to support the added efforts toward their regional Perkins V. plan.

Regional consortium(s) and a consortium of two or more eligible entities are required to provide services to all members of the consortia equitably. The amount of funds received by the consortium will be the total amount of eligibility for all members in the consortium. All funds must be used for purposes and projects benefiting all members of the consortium, based on the local plan and needs assessment.

### ***Eligibility Requirements***

Section 135 of Perkins V states, “Funds made available to eligible recipients shall be used to support CTE programs that are of sufficient size, scope, and quality”. The Perkins V act does not define size, scope, and quality, but instead leaves it to the States to interpret what that means and establish their own

definitions. The Utah State Plan (2020-2023) establishes the definition of size, scope, and quality (SSQ) and is set forth below:

***Size – Program Must***

- Include a State Recognized Program of Study containing a coherent sequence of courses – Section 135(b)
  - Secondary:
    - Ability to generate a minimum of \$15,000.00 per LEA.
    - Ability to concentrate in POS/Pathways from at least two Career Cluster areas and the ability to complete at least one of the CTE POS/Pathways recognized by the state.
    - CTE Student Organizations (CTSO) that align with the POS/Pathways offered.
    - Six (6) approved unique CTE courses from the master list that align with the POS/Pathways offered.
    - Demonstrate sufficient size of student participants, concentrators, and completers over a three-year rolling average as defined by the State.
  - Postsecondary:
    - Ability to generate a minimum of \$50,000.00 per institution.
    - Provide 2-year CTE Associate Degree, 1-year certificate programs, and programs of 600 hours or more as approved through a state-identified process that considers adherence to institutional, system-level, and accreditation requirements and has received final approval from both the State and the Perkins Executive Committee
    - Programs of 360 hours or more leading to industry certifications and other programs that specifically approved through a state-identified process that considers adherence to institutional, system-level, and accreditation requirements and has received final approval from both the State and the Perkins Executive Committee.
    - Demonstrate sufficient number of student participants and completers over a three-year average as defined by the State.

***Scope- Secondary and Postsecondary programs must -***

- Include POS/Pathways that train for high-skill, in-demand and/or emerging careers.
- Include rigorous, coherent, CTE course aligned with challenging academic standards.
- Credentials of value recognized by local industry.
- Include secondary and postsecondary linkages that provide opportunities for stacked credentials.

***Quality – Secondary and Postsecondary programs must incorporate State approved quality standards***

- Standards and Curriculum: Standards and curriculum are the foundational elements for designing and improving CTE courses.
- Alignment and Articulation: Alignment and articulation are key to getting CTE partners working together to support POS/Pathways for CTE Students.
- Accountability and Evaluation: Accountability and evaluation provide opportunities for data-driven decision-making regarding achievement gaps and performance outcomes of Perkins programs. Achieve local levels of performance established for Perkins measure.
- Submit to State all required program elements, evaluations, and assessments accurately.

- Student Support Services: Student support services include the ways that all students are made aware and given accesses to the career and education opportunities made available in a POS/Pathway.
- Professional Development: Professional development should be designed around the needs identified by data and should focus on continuous improvement needs.
- Implement a continuous program improvement process approved by the State.
- Provide opportunities for work-based learning experiences.

### ***Consortium, & Waiver Requirements***

#### Sec 131. Distribution of Funds to Secondary Education Programs

##### (c) Minimum Allocation. –

(1) In general – Except as provided in paragraph (2), a local education agency shall not receive an allocation under subsection (a) unless the amount allocated to such agency under subsection (a) is greater than \$15,000. A local educational agency may enter into a consortium with other local educational agencies for purposes of meeting the minimum allocation requirement of this paragraph.

(2) Waiver – The eligible agency shall waive the application of paragraph (1) in any case in which the local education agency

- (A) (i) is located in a rural, sparsely populated area; or
  - (ii) is a public charter school operating secondary school career and technical education Programs or programs of study and;
- (B) Demonstrates that the local educational agency is unable to enter into a consortium- for purposes of providing activities under this part.

##### (f) Consortium Requirements. –

(1) Alliance – Any local educational agency receiving an allocation that is not sufficient to conduct a program which meets the requirements of section 135 is encouraged to –

- (A) form a consortium or enter into a cooperative agreement with an area career and technical education school or educational service agency offering programs that meet the requirements of Section 135;
- (B) transfer such an allocation to the area career and technical education school or educational service agency; and
- (C) operate programs that are of sufficient size, scope, and quality to be effective.

### ***Application Processes & Submissions***

Pursuant to Section 134 of the Perkins V Act, to receive funds under Perkins V, eligible institutions or consortia must develop and submit both an application and budget that encompasses their local Program of Work for two years. In addition to a Local Application, sub-recipients will also be required to conduct and submit the results of a Comprehensive Local Needs Assessment (CLNA) biennially. Perkins V includes a requirement to conduct and report a Comprehensive Local Needs Assessment.

The results of the CLNA must be incorporated into the Local Application and should dictate the institutions funding decisions and budget. Attachments will be included with the Local Application that

will allow the institution or consortium to detail the results of the CLNA and how those results will impact their spending decisions.

Formal application submissions are required to be completed through the [Utah Grants Management System](#) (UGMS). However, UBSE CTE Staff typically release applications to eligible recipients earlier than they are available in UGMS. This provides eligible recipients an opportunity to review the application and attachments, complete the necessary processes, and submit the applications back to USBE for an initial review.

After the initial review is conducted, applications that require revisions are sent back to the associated agency with a detailed request as to what needs to be addressed. If no revisions are necessary, the eligible recipient is contacted with an initial approval.

Once initial reviews and revisions are completed informally, funding allocations entered in UGMS and an invitation to formally apply for the funds are sent to eligible recipients. Eligible recipients are asked to complete the UGMS application process and upload their approved Perkins V application. After the applications go through a second internal process, the funds are then awarded, and recipients are notified with an award letter also issued through UGMS.

It is imperative to note, that if your agency is participating in a regional consortium, the fiscal agent identified in your application will be the entity that completes the application process in Utah Grants. This rule also applies to additional grant opportunities issued under Perkins V funding.

For guidance on utilizing UGMS, please refer to the [Utah Grants Management System resource page](#).

### ***FY23 Application Process***

For FY23, the application consists of the following:

- Cover Page
- Comprehensive Local Needs Assessment (CLNA)
- Local Performance
- Budget Summary
- Budget Narrative
- Local Assurances
- Consortium Assurances, if applicable
- Consortium Memorandum of Understanding, if applicable

Attachments to upload in Utah Grants:

- Local Applications
- CLNA Worksheets
- Consortium MOU or Policy and Practices, if applicable
- Equipment list, if applicable
- Personnel list, if applicable

Cover page - The cover page section requires you to respond to a series of questions that identifies the agency you are representing, who will be serving as the party completing the application, and who will be serving as the agency or Consortium CTE Director. This section will also inquire if there have been any changes to the previously reported Pathways and Programs of Study.

*Comprehensive Local Needs Assessment (CLNA)* - The CLNA is designed to drive local application development and future spending decisions. It is an opportunity to review your entire Career and Technical Education (CTE) program with an in-depth lens. It is a vital time to identify areas where targeted improvements should be made. Please use the [CLNA worksheets](#) and refer to the [CLNA Guidebook](#) for help. The CLNA worksheets are used to compile the information required on the Local Application, the worksheets do not need to be submitted but must be retained and made available upon request.

*Local Performance*- This tool helps assess an institution or consortium's performance by evaluating current data and looking at future years performance indicator targets. The data is split into secondary and post secondary levels.

*Budget Summary* – The budget summary section requires you to enter your proposed budget for FY23 with the allocations provided by USBE. If you are participating in a consortium and incentive funds are awarded in addition to formula funds, you will be required to combine the budget, although entry in Utah Grants will need to be separated as funds are awarded according to funding source. It is also required that your proposed budget be “coded” in the “Uses of Funds” column. The required uses of funds are in this guide under “Required Uses of Funds” section on pages 10-14. If your budget is not coded, it will be sent back to you for revision. The checklist provided is to assist you with your budget planning process and to ensure all budget targets and requirements are met.

*Once the application is introduced in Utah Grants, you will be entering the budget in accordance with the FY23 Application you provided. It is important to note that if you will be purchasing equipment that exceeds the \$5,000.00 per unit you must detail your equipment expenditures out in the "Proposed Capital Equipment List" or by upload a spreadsheet to Utah Grants. All equipment requests must include the necessary quotes. The approval of your Local Application budget is considered your pre-authorization to initiate the purchase of capital equipment. If equipment is not itemized during the application process and the purchase exceeds \$5,000.00 per item, an equipment pre-authorization form MUST be completed and approved prior to expending any funds.*

*Budget Narrative* – This section is where you will provide a detailed narrative regarding the proposed budget entered in the “Budget Summary” section. The narrative must explain or justify how the funds will be spent and why. For example, if you are paying salaries and benefits, you will provide the roles that the salaries are being paid for, approximately how much and establish how that role was paid in prior years. Also include a description of how the position meets the needs assessment and Perkins performance targets.

*Local Assurances* – Please ensure you and your applicable administration review and ensure your agency can maintain the requirements set forth. In addition, both the CTE Director of your institution and Business Administrator or Financial contact must digitally sign the form.

*Consortium Assurances and Memorandum of Understanding* – This section is only available in the Consortium application and applies to Consortia only. The members participating in the Consortium must review and agree to the terms set forth in the Assurances. In addition, your Consortium must have and provide a Memorandum of Understanding that is also agreed to by all Consortium participants.



### ***Additional Funding Opportunities***

There are funding opportunities throughout the year that are outside of the Perkins V Formula funds. This funding opportunity is referred to as the “Special Project Grant”. Funds for this grant are derived from Perkins Formula Reserve and Leadership and Development funds. The funding source is determined based upon the project itself and anticipated outcomes and deliverables. The application process for this funding opportunity is announced beginning in the fall of each fiscal year.

If you are participating in a Consortium, it is mandatory that your fiscal agent be aware of your request for funds. Your fiscal agent will also be the party responsible for submitting the application in Utah Grants.

### ***Budget Revisions***

Sub-recipients can request revisions to their budgets throughout the year. A budget revision may be necessary when the needs of the recipient or a specific program vary from the approved application. A budget revision will also be required if there is a 10%+ change in category.

Budget revisions must be narrated thoroughly and submitted through the Utah Grants Management System. The CTE Staff and applicable coordinator will be responsible for reviewing and approving budget revisions. Budget revisions must be approved prior to expending any funds in a way that deviates from the approved application.

### ***Eligible Agency Responsibilities & Administration***

Eligible agencies are responsible for reviewing Perkins guidelines in addition to all federal and state regulations. Eligible agencies are also responsible for monitoring the status of their application, reviewing all USBE application feedback throughout the review and approval process and responding to USBE staff inquiries in a timely manner. USBE communicates with local recipients regarding the status of Perkins Grant applications, amendments, and final reports. Such communication is with the eligible agency only and utilizes the contact information provided in the Perkins grant application. Eligible agencies are responsible for maintaining updated contact information in the application.

While titles may vary, each institution is required to have a designated Perkins Administrator. The Administrator has certain responsibilities that are essential to the institution’s successful attainment of the Perkins Core Indicators of Performance and the relationship with Utah State Board of Education’s CTE staff. These responsibilities include, but are not limited to, the following:

- Be knowledgeable of the Utah’s Perkins processes.
- Prepare the Perkins application (in collaboration with district/college faculty, staff and relevant support service providers).
- Serve as a central point of contact for communications concerning the Perkins grant.
- Engage in technical assistance meetings as needed.
- Prepare all documents and reports as required for programmatic monitoring.
- Be knowledgeable of additional Perkins-funded grants.
- Submit all necessary reports.
- Be knowledgeable of CTE data and performance.
- Maintain fiscal integrity in the use of Perkins funds.
- Attend all mandatory and otherwise necessary professional development workshops.

### **Accessing Funds & General Funding Guidelines**

Federal funds shall be disbursed to the awardee on a reimbursement basis only. Reimbursement requests must be submitted through the Utah Grants Management System.

Perkins is a one-year (12 month) grant with no carryover. Final reimbursement requests must be submitted no later than September 1st of the next fiscal year. To ensure reimbursement, both fiscal and programmatic administrators should be conscious of funding deadlines. These deadlines are specific to the Perkins grant. Deadlines for other grant opportunities made available by Utah State Board of Education may vary. Reimbursement requests should be submitted on a quarterly basis. Please review the following sample schedule:

Quarter 1	July-September	October 30 <sup>th</sup>
Quarter 2	October-December	January 30 <sup>th</sup>
Quarter 3	January-March	April 30 <sup>th</sup>
Quarter 4/Final	April-June	August 30 <sup>th</sup>

### **Required Uses of Funds**

Section 135 (b) of Perkins V Act outlines the six required uses of funds. Unlike requirements for uses of funds under Perkins IV, there are no separate provisions for permissible uses of funds. Perkins V outlines all permissible uses of funds within the six required uses. **NOTE: When expending Perkins Funds, the sub-recipient must address/meet all six “Required” activities.**

**Funds made available to an eligible sub-recipient may be used for improving, enhancing, and expanding CTE Programs of Study. All aspects of the use of Perkins V funds must be supported by a comprehensive local needs assessment, data, rationale, a local improvement plan, and the sub-recipient must have the capacity to measure students/program improvement resulting from the use of these funds.**

*“Funds made available to eligible recipients under this part shall be used to support career and technical education programs that are of sufficient size, scope, and quality to be effective and that—*

- (R1)** Provide career exploration and career development activities through an organized systematic framework designed to aid students, including in the middle grades, before enrolling and while participating in a career and technical education program, in making informed plans and decisions about future education and career opportunities and programs of study which may include-
  - (A) Introductory courses or activities focused on career exploration and career awareness, including non-traditional fields;
  - (B) Readily available career and labor market information, including information on-
    - (i) Occupational supply and demand;
    - (ii) Educational requirements;

- (iii) Other information on careers aligned to State, local, or Tribal (as applicable) economic priorities; and
  - (iv) Employment sectors;
- (C) Programs and activities related to the development of student graduation and career plans;
- (D) Career guidance and academic counselors that provide information on postsecondary and career options;
- (E) Any other activity that advances knowledge of career opportunities and assists students in making informed decisions about future education and employment goals, including nontraditional fields; or
- (F) Providing students with string experience in, and comprehensive understanding of all aspects of industry;
- (R2)** Provide professional development for teachers, faculty, school leaders, administrators, specialized instructional support personnel, career guidance and academic counselors, or paraprofessionals which may include –
  - (A) Professional development on supporting individualized academic a career and technical education instructional approaches, including the integration of academic and career and technical education standards and curricula;
  - (B) Professional development on ensuring labor market information is used to inform the program, guidance, and advisement offered to students, including information provided under section 15(e)(2)(C) of the Wagner-Geyser Act (29 U.S.C. 491-2(e)(2)(C));
  - (C) Providing teachers, faculty, school leaders, administrators, specialized instructional support personnel, career guidance and academic counselors, or paraprofessionals, as appropriate, with opportunities to advance knowledge, skills, and understanding of all aspects of industry, including the latest workplace equipment, technologies, standards, and credentials;
  - (D) Supporting school leaders and administrators in managing career and technical education programs in the schools, institutions, or local educational agencies of such school leaders or administrators;
  - (E) Supporting the implementation of strategies to improve student achievement and close gaps in student participation and performance in career and technical education programs;
  - (F) Providing teachers, faculty, specialized instructional support personnel, career guidance and academic counselors, principals, school leaders, or paraprofessionals, as appropriate, with opportunities to advance knowledge, skills, and understanding in pedagogical practices, including, to the extent the eligible recipient determines that such evidence is

- reasonably available, evidence- based pedagogical practices;
- (G) Training teachers, faculty, school leaders, administrators, specialized instructional support personnel, career guidance and academic counselors, or paraprofessionals, as appropriate to provide appropriate accommodations for individuals with disabilities, and students with disabilities who are provided accommodations under the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) or the individuals with Disabilities Education Act;
  - (H) Training teachers, faculty, specialized instructional support personnel, career guidance and academic counselors, and paraprofessionals in frameworks to effectively teach students, including a particular focus on students with disabilities and English learners, which may include universal design for learning, multi-tier systems of supports, and positive behavioral interventions and support or;
  - (I) Training for the effective use of community spaces that provide access to tools, technology, and knowledge for learners and entrepreneurs, such as maker-spaces or libraries;
- (R3)** Provide within career and technical education the skills necessary to pursue careers in high- skill, high-wage, or in-demand industry sectors or occupations.
- (R4)** Support integration of academic skills into career and technical education programs and programs of study to support-
- (A) CTE participants at the secondary school level in meeting the challenging State academic standards adopted under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 by the State in which the eligible recipient is located; and
  - (B) CTE participants at the postsecondary level in achieving academic skills,
- (R5)** Plan and carry out elements that support the implementation of career and technical education programs and programs of study and that results in increasing student achievement of the local levels of performance established under section 113 which may include –
- (A) A curriculum aligned with the requirements for a program of study;
  - (B) Sustainable relationships among education, business and industry, and other community stakeholders, including industry or sector partnerships in the local area, where applicable, that are designed to facilitate;
  - (C) Where appropriate, expanding opportunities for CTE concentrators to participate in accelerated learning programs (as defined in section 4104(b)(3)(A)(i)(IV) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7114(b)(3)(A)(i)(IV)), including dual or concurrent enrollment programs, early college high schools, and the development or

- implementation or articulation agreements as part of a career and technical education programs of study.
- (D) Appropriate equipment, technology, and instructional materials (including support for library resources) aligned with business and industry needs, including machinery, testing equipment, tools, implements, hardware and software, and other new and emerging instructional material;
  - (E) A continuum of work-based learning opportunities, including simulated work environments;
  - (F) Industry-recognized certification examinations or other assessments leading toward a recognized postsecondary credential;
  - (G) Efforts to recruit and retain career and technical education program teachers, faculty, school leaders, administrators, specialized instructional support personnel, career guidance and academic counselors, and paraprofessionals;
  - (H) Where applicable, coordination with other education and workforce development programs and initiatives, including career pathways and sector partnerships developed under the Workforce Innovation and Opportunity Act (29 U.S.C 3101 et seq) and other Federal laws and initiatives that provide students with transition related services, including the Disabilities Education Act;
  - (I) Expanding opportunities for students to participate in distance career and technical education and blended learning programs;
  - (J) Expanding opportunities for students to participate in competency-based education programs;
  - (K) Improving career guidance and academic counseling programs that assist students in making informed academic and career and technical education decisions, including academic and financial aid counseling;
  - (L) Supporting the integration of employability skills into career and technical education programs and programs of study, including through family and consumer science programs;
  - (M) Supporting programs and activities that increase access, student engagement, and success in science, technology, engineering, and mathematics fields (including computer science and architecture) for students who are members of groups underrepresented in such fields;
  - (N) Providing career and technical education, in a school, or other educational setting for adults or out-of-school youth to complete secondary school education or upgrade technical skills
  - (O) Supporting career and technical student organizations including student preparation for and participation in technical skills competitions aligned with career and technical education program standards and curricula;

- (P) Making all forms of instructional content widely available, which may include use of open educational resources;
- (Q) Supporting the integration of arts and design skills, when appropriate, into career and technical education programs and programs of study;
- (R) Partnering with a qualified intermediary to improve training, the development of public-private partnerships, systems development, capacity-building, and scalability of the delivery of high-quality career and technical education.
- (S) Support to reduce or eliminate out-of-pocket expenses for special populations participating in career and technical education, including those participating in dual or concurrent enrollment programs or early college high school programs, and challenges for those special populations;  
or
- (T) Other activities to improve career and technical education programs; and

**(R6)** Develop and implement evaluations of the activities carried out with funds under this part, including evaluations necessary to complete the comprehensive needs assessment required under section 134(c) and the local reported required under section 113(b)(4)(B).

### ***Basic Cost Principles & Determining Permissible Use***

Allowable and Unallowable Uses of Funds reflect additional requirements for spending Perkins dollars that are specified by the Education Department General Administrative Regulations (EDGAR), U.S. Office of Management and Budget Circulars, Utah State Law, USBE policies procedures. Perkins funding is Federal funding and must follow requirements set forth in Part 200 Uniform Administrative Requirements, Cost Principles, and audit requirements for Federal Awards. Some points of interest are detailed below:

- Financial Management: §200.302
- Internal Controls: §200.303
- Federal Payments: §200.305
- Cost Sharing or Matching: §200.306
- Program Income: §200.307
- Revision of Budget and program plans: §200.308
- Equipment: §200.313
- Supplies: §200.314
- Procurement by States: §200.317
- Monitoring & reporting program performance: §200.329
- Closeout: §200.344
- Factors affecting allowability of costs: §200.403
- Reasonable Costs: §200.404
- Allocable Costs: §200.405
- Prior Written Approval: §200.407
- Compensation – personal services: §200.430

In order for costs to be determined as “allowable” or “allocable” to the award, they must meet the following guidelines:

- Reasonable & necessary to the program (a cost may be reasonable if the nature of the good 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 (I.E. the program derived a benefit in proportion to the funds charged to the program. If a teacher’s salary is 50% Perkins funds, then that teacher must spend at least 50% of his/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.
- Not used for cost-sharing or matching any other grant agreement.

To assist you with making the determination as to whether federal funds can be used to purchase goods or services, these questions may be useful:

- Is the proposed cost allowable under the relevant program?
- Is the proposed cost consistent with an approved Local Application, CLNA, and Budget?
- Is the proposed cost consistent with EDGAR, including requirements at 2 C.F.R. Part 200?
- Is the proposed cost consistent with special conditions imposed on the grant (if applicable)?
- Is the cost reasonable and necessary? (Was prudence a factor in making the determination to incur the cost?)
- Is the product or service going to be used for CTE Students exclusively?
- Is the cost directly allocable to the award and if so, what percentage?
- Is the expenditure going to address a need defined in your CLNA?
- How was this item(s) or service paid for in the past?
- Is this supplanting?
- Do you already have expenses in the current fiscal year for all Perkins required uses of funds?

### ***General Unallowable Uses of Funds***

- Alcoholic beverages
- Alumni activities
- Commencement and convocation costs
- Construction, renovation, and/or remodeling of facilities
- Contributions and donations (cash, property, services)
- Entertainment – amusement and social activities (sports tickets)
- Expenditures for non-approved CTE programs
- Expenditures for career education prior to the middle grades (grades 6 through 8)
- Expenditures that supplant

- Fines and penalties
- Fundraising
- Gifts & Giveaways
- Goods or services for personal use
- Items retained by students (supplies, clothing/uniforms, tools, calculators)
- Memberships or dues retained by personnel or students
- Monetary awards, scholarships, student stipends
- Postsecondary customized training courses and programs
- Political activities such as contributions, fund raising or lobbying
- Promotional materials (T-shirts, pens, cups, key chains, book bags, etc.)
- Remedial (developmental) courses at both secondary and postsecondary levels
- Student expenses/direct assistance to students (tuition, tools, fees, car repair, etc.)
- Student stipends
- Vehicles, unless used for CTE instruction and approved by USBE

### **Food and Beverage Expenses**

There is a very high burden of proof to show that paying for food and beverages with Federal funds is necessary to meet the goals and objectives of a Federal grant. When a grantee is hosting a meeting, the grantee should structure the agenda for the meeting so that there is time for participants to purchase their own food, beverages, and snacks. In addition, when planning a meeting, grantees may want to consider a location in which participants have easy access to food and beverages.

When paying for any food, beverages or snacks, grantees will have to make a compelling case to USBE that the unique circumstances they have identified would justify these costs as reasonable and necessary. An LEA that is hosting a conference or meeting and determines that a working lunch is reasonable and necessary should carefully document its justification.

Food, beverages, and snacks must also be reasonable in cost. Expenses that include extravagant components would not only raise appearance concerns, but also violate the requirements of the Education Department General Administrative Regulations and the cost principles that costs charged to Federal grants must be reasonable.

Providing meals during a "working lunch" may be an allowable use of Title I, Part A funds if, to carry out a conference or meeting agenda within the time available, it is necessary to work through lunch. The LEA must make a compelling case for this cost. The LEA should determine whether a face-to-face meeting or conference is the most cost-effective way to conduct business or whether video conferencing or other technological approaches would suffice. Assuming a face-to-face meeting or conference is necessary, the LEA should determine if it is possible to accomplish the agenda of the meeting or the conference without working through lunch, because Federal grant funds may not be used to pay for a "working lunch" that is not necessary.

Before deciding that a working lunch is necessary, plan the agenda and, consistent with these guidelines, determine that there are no alternatives to working through lunch to accomplish all the key business of the conference or meeting. For that reason, it is not appropriate to decide - prior to planning the agenda that a working lunch is desired or needed and then construct an agenda to justify that decision. Attendance during a working lunch must be necessary to



ensure attendees' full participation in substantive discussions, lectures, or speeches that are integral to the purpose of the meeting or conference. Inspirational talks, testimonials, entertainment, award ceremonies, and informal discussions among attendees or networking, in most instances, would not be an appropriate agenda item for a working lunch.

Aside from a working lunch that meets these guidelines, it is unlikely that other food and beverage costs for a conference or meeting - for example, breakfast, dinner, snacks, or networking receptions - would be reasonable and necessary and, therefore, an allowable cost under Title I, Part A.

***Obligations***

An obligation occurs when funds are formally designated for a specific cost or expenditure. The following table illustrates when funds are determined to be obligated under federal regulations.

If the obligation is for:	The obligation is made:
Acquisition of Property	On the date the subgrantee makes a binding written commitment to acquire the property
Personal services by an employee of the subgrantee	When the services are performed
Personal services by a contractor who is not an employee of the subgrantee	On the date the subgrantee makes a binding written commitment to obtain the services
Public utility services	When the subgrantee receives the services
Travel	When travel is taken
Property Rental	When the subgrantee uses the property

The obligation period for eligible recipients extends from July 1 to the following June 30. All obligations must be liquidated during the grant period. Any funds (budget) not liquidated within the specified timeframe will be relinquished at the state level and redistributed to eligible entities in accordance with the provision specified in the Perkins Act.

***Supplement vs. Supplant***

**SECTION 211 (a) SUPPLEMENT NOT SUPPLANT:**

“Funds made available under this Act for career and technical education activities shall supplement, and shall not supplant, non-Federal funds expended to carry out career and technical education activities.”

The intent is always to demonstrate that the expenditure of funds improves or expands career education. In both cases, the expenditure of funds must be above normal operational expenses. Therefore, the LEA must provide all state and local funds needed to operate the program in the absence of federal funds (i.e. routine operating expenses such as building maintenance and repairs, landscaping

and custodial service, basic teacher and student equipment and supplies). Sub-recipients may not use federal funds to pay for services, staff, programs or materials that would otherwise be paid for with state or local funds.

Supplanting occurs when federal dollars replace what is typically paid for by local/state dollars to support career education programs and activities. Sub-recipients must monitor expenditures to ensure that Perkins funds are not supplanting the general requirements of the LEA. This law is designed to ensure that Perkins funds pay for something extra, not the day-to-day operational costs.

Perkins grant funds must not result in a reduction to state or local funding that would have been available to conduct the activity had these funds not been received. This means that Perkins funds may not free up state or local dollars for other purposes, but they should create or augment programs to an extent not possible without Perkins dollars. The sub-recipient must be able to demonstrate that Perkins funds are added to the amount of state and local funds that would, in the absence of Perkins funds, be made available for uses specified in the LEA Local Plan.

Supplanting is presumed, if Perkins V Funds are used:

- To provide services that the recipient is required to make available under other federal, state or local laws;
- To provide services the recipient provided with state or local funds in the prior year;
- To pay for any expense that was previously paid by the local school district; this may include salaries, textbooks, stipends, equipment, etc.

### ***Indirect Cost Rate***

Perkins has a 5% cap on the amount of administrative costs that may be charged to the subgrant. See Perkins Section 135(d). Significantly, this cap includes both direct administrative charges and any recovered indirect charges. Therefore, a subgrantee's recovered indirect costs cannot exceed the administrative cap, or 5 percent of the award. If the subgrantee's indirect cost recovery is less than 5 percent of the award, the subgrantee may direct charge additional administrative costs up to the cap (5%).

Direct charges for administrative costs must meet the allowability requirements discussed in this section, such as necessary, reasonable, allocable and adequately documented, and must be explicitly identified in the budget.

### ***Fiscal Monitoring***

The objective of the fiscal monitoring process is to confirm that grant recipients are expending funds according to Uniform Grant Guidelines. The Utah State Board of Education will conduct fiscal monitoring reviews based on random sampling and an assessment of programmatic and institutional risk. Monitoring review procedures will vary based on a grantees overall risk score.

Fiscal monitoring reviews are conducted remotely as well as on-site depending on factors such as the type of review and procedures performed. On-site monitoring reviews are conducted for all reviews related to compliance with Title VI, Title IX, and Section 504. Sub-recipients have an obligation to be familiar and compliant with requirements related to the programs that they operate.

## ***Equipment & Supplies***

The following are guidelines for meeting the accountability requirements for equipment purchases and property records for equipment purchased with Perkins funding:

- The purchase of new or used equipment is permissible with grant funds.
- Purchased equipment must be reasonable and necessary to effectively operate the CTE program. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost (2 CFR 200.404).

### *Expendable or Nonexpendable?*

A distinction must be made between supply and equipment purchases. Equipment purchases:

- Have a value of more than \$5,000.
- Have an equipment pre-authorization approval received from the Utah State Board of Education if the equipment purchase was NOT detailed in your initial budget submitted through UGMS
- Are properly safeguarded, monitored, and accounted for within the normal course of operations.

### *Accountability and Inventory*

All equipment purchased with CTE funds must have property records always maintained. This property record should be in place and used to maintain accountability and control over assets acquired using grant funds. An asset listing ensures the provider/recipient will have an audit trail in place to document relevant information pertaining to equipment purchases. Property Records should include:

- the date of purchase;
- item description;
- serial/model number;
- institutional tag number, if applicable;
- purchase price;
- location of equipment;
- funds used for purchase;
- date of disposal;
- method of disposal; and
- fair market value at the date of disposal.

### *Disposal of Equipment*

When equipment is no longer needed for the original project or program for which it was acquired, the equipment shall be used in other federal projects or programs. The program should notify the USBE, and if the equipment is not needed in any other project or program, it may be retained, sold or otherwise disposed of. To eliminate any item from the local inventory, the program must follow these guidelines:

- Items of inventory may be sold or otherwise disposed of without further financial obligation to the USBE if the equipment item has a per-unit current fair market value of less than \$5,000. The disposal of such items should be so noted on the equipment inventory.

- Any funds received from the sale or disposed equipment must be returned to the program and expended prior to any additional funds.
- Items of equipment with per-unit current fair market value of \$5,000 or more may not be disposed of without approval from the USBE's Director or authorized Designee for CTE. A request to dispose of such equipment must be submitted in writing to the USBE. Permission to dispose of the designated equipment will be granted in writing following a review of the request. Property Records must be updated to reflect this disposal.