

CTE CONSOLIDATED APPLICATION FUNDING AND ALLOWABLE COSTS

Law Supporting Uses of Funds

Strengthening Career and Technical Education for the 21st Century Act (Perkins V) Excerpts SEC. 135. LOCAL USES OF FUNDS (a) GENERAL AUTHORITY.—

Each eligible recipient that receives funds under this part shall use such funds to develop, coordinate, implement, or improve career and technical education programs to meet the needs identified in the comprehensive needs assessment described in section 134(c).

(b) REQUIREMENTS FOR USES OF 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—

(1) 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 education 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 non-traditional fields; or

(F) providing students with strong experience in, and comprehensive understanding of, all aspects of an industry;

(2) 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 and 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 programs, guidance, and advisement offered to students, including information provided under section 15(e)(2)(C) of the Wagner-Peyser 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 an 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 makerspaces or libraries;

(3) provide within career and technical education the skills necessary to pursue careers in high-skill, high-wage, or in-demand industry sectors or occupations;

(4) 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; (5) plan and carry out elements that support the implementation of career and technical education programs and programs of study and that result in increasing student achievement of the local levels of performance established under section 113, which may include—

For a particular cost to be allowable, it must be necessary and reasonable for proper and efficient performance and administration of the Perkins grant. **A cost is reasonable if it does not exceed what LEAs would normally incur in the absence of federal funds.** Additional guidance about standards for determining costs for federal grants is available from the federal Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200). Additionally, costs incurred should align to the CLNA/LNA developed together to support the workforce needs in your area. [Size, scope, and quality https://www.isbe.net/Documents/Perkins-V-FY21-24-Size-Scope-Quality.pdf](https://www.isbe.net/Documents/Perkins-V-FY21-24-Size-Scope-Quality.pdf) should be considered when creating the budget.

Salary and benefits of any individual charged to a federal grant, including Perkins, must be supported by time and effort documentation that accurately reflects the work performed and supports the amounts claimed against the grant. “Standards for Documentation of Personnel Expenses” are established by the OMB (2 CFR § 200.403(i)).

The United States Department of Education requires that, when taken together, the combined expenditures proposed for both indirect and direct administrative costs in a Perkins V allocation grant not exceed 5% of the total grant amount.

The Basics – Expenditures must:

- Align to Perkins V Section 135 – Local Uses of Funds and support required local application components (Perkins V Section 134(b)) for school districts, area career centers, and Education for Employment (EFE) Systems.
 - Align to Perkins V Section 124(b) – Permissible Uses of Funds for state institutions.
 - Be used for improving size, scope, and quality of approved programs referenced in the Local Application – CTE Programs and Activities pages.
 - Align the Local Application – Goals and Strategies to the Comprehensive Local Needs Assessment results.
 - Drive improvement in levels of performance.
 - Align to ISBE’s State and Federal Grant Administration Policy, Fiscal Requirements, and Procedures.
 - Be necessary, reasonable, and allocable.
 - o Necessary and Reasonable — Cost is recognized as ordinary and necessary for the operation of the grant, is market price for comparable goods or services, and has no significant deviation from the established prices.
 - o Allocable (CFR 200.405) — Cost is incurred specifically for the grant, benefits grant and other work of the entity and is necessary to overall operations of the entity.
 - Supplement not Supplant (Perkins) – Federal funds should supplement not supplant state and local funds.
 - o Supplement – Grant funds that are received and expended in addition to funds the grantee would have expended in the absence of grant funds.
 - o Supplant – Grant funds that are received and expended to replace funds the grantee would have expended in the absence of grant funds.
 - o Contact ISBE CTE and Innovation staff if a locally or state-funded CTE program is at risk of closing.
 - Not be included as a match for another federal award.

- Be adequately documented – Backup documentation is required by school districts, area career centers, and EFEs for all expenditures. Examples include, but are not limited to:

- o Time and effort documentation
- o Inventory management system
- o Procurement
- o Conflict of interest

Additional Function/Object Codes

- 2620/100, 200, 300, and 400 (for systemwide assessment duties required in Perkins V (e.g., Comprehensive Local Needs Assessment and program improvement plans)
- 2900/100, 200, 300, and 400 (for direct support to districts that isn’t professional learning, career guidance, or instruction).

Allowable and Non-Allowable Uses of Perkins Funds and CTEI Funds

Expenditures funded through the Perkins grant must ultimately enhance instruction for students to gain knowledge and skills that meet industry standards and expectations in high-wage, high-skill, and in-demand occupations.


The following list includes allowable and non-allowable uses of Perkins funds. Note that some non-allowable expenditures have exceptions. All Perkins funds must adhere to all federal and state laws, policies, and regulations. 2 CFR 200 §81.31 Measure of recovery. - A recipient that made an unallowable expenditure or otherwise failed to discharge its obligation to account properly for funds shall return the amount. Additionally, visit ISBE’s [Funding and Disbursements Fiscal Handbook](#) for specific details.

NOTE: Purchases must be pre-approved by ISBE before ordering. The pre-approval is completed via your budget detail in your grant application. Purchases in cases where they were not pre-approved, may not be reimbursed. Amendments must be used to receive pre-approval of items not budgeted at the time of submission. Remember to AMEND before you SPEND.

 - Allowable

 - Allowable, but only under certain circumstances

 - Not Allowable

Allowable	Budget Item	Special Requirements or Additional Information
	Administrative Costs (Also see Indirect Costs)	Administrative expenditures are limited to 5% of the total budget and can be utilized for meeting general requirements of administering the grant (records retention, financial management). The GMS system will provide the indirect cost rate for each recipient on the budget pages if selected as an option. The applicant must decide, for each program, whether to use indirect costs or not. If chosen, the system will figure the amount of indirect costs. Note: If the budget includes equipment (capital outlay), this amount will be subtracted from the amount allowable for indirect costs as required by law.

		<p>Documentation of actual expenses must be maintained to claim the 5% administrative cost. The documentation needed is dependent on the expense. This documentation could be payroll records along with the time and effort, paid invoices, and receipts, contracts, etc. Budget and reporting of the direct administrative expenditures should appear in the appropriate object code.</p> <p>CTEI: Each EFE received a maximum administrative allotment in CTEI funds. Administrative costs must be at or below the Administrative Allotment (Function Codes 2300, 2520, and 2540); this does not include indirect costs. The maximum amount for administrative costs does not need to be used; minimize administrative spending to the greatest extent possible. If indirect cost is used, there cannot be direct costs under Function Code 2520.</p> <p>o ISBE’s State and Federal Grant Administration Policy, Fiscal Requirements, and Procedures: “Indirect costs are costs a grantee incurs for common or joint objectives that cannot be readily and specifically identified with a particular grant project or other institutional activity. These are typically widespread costs for support service activities, such as purchasing, budgeting, payroll, accounting, data processing, and staff services. Indirect costs are usually charged to the grant as a percentage of some or all the direct cost items in the grantee’s budget. This percentage is called the indirect cost rate. The following expenditure functions are usually considered as indirect costs:</p> <ul style="list-style-type: none"> ♣ Function 2510 – Direction of Business Support Services ♣ Function 2520 – Fiscal Services ♣ Function 2570 – Internal Services ♣ Function 2640 – Staff Services ♣ Function 2660 – Data Processing Services <p>Perkins: Each EFE shall not use more than 5% of the allotment for administrative purposes; this includes both expenses in Function Code 2300, 2520, 2540, and indirect costs.</p>
?	Advertising	See “Marketing/Promotional Expenses”
Informational only	Applicable Credits and Rebates	Applicable credits refer to those receipts or reduction-of-expenditure-type transactions that offset or reduce expense items allocable to the federal award as direct or indirect costs. Examples of such transactions are purchase discounts, rebates, or allowances; recoveries or indemnities on losses, insurance refunds, or rebates; and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the non-federal entity relate to allowable costs, they must be credited to the federal award either as a cost reduction or cash refund, as appropriate.






Informational only	Area Career Centers	Area Career Centers must receive, at a minimum, the portion of the CTEI grant allocation they generated. Perkins funding “shall be allocated to the area career and technical education school, the educational service agency, and the Local Education Agency based on each school, agency, or entity’s relative share of students who are attending CTE programs (based, if practicable, on the average enrollment for the past three years).” (Perkins V Section 131(e)(2)).
<input checked="" type="checkbox"/>	Audits	The cost of a general school/institution audit is not permissible, but the portion directly attributable to auditing the Perkins grant may be charged against the 5% administration category.
<input type="checkbox"/>	Awards	Cash awards, medals/pins, plaques, ribbons, trophies, etc. are non-allowable. Scholarship awards are non-allowable as these are considered a direct benefit.
<input checked="" type="checkbox"/>	Benefits	Benefits From ISBE’s State and Federal Grant Administration Policy, Fiscal Requirements, and Procedures : <ul style="list-style-type: none"> • (Page 10) “The percent of employee benefits should reflect the percentage of time the employee’s salary is charged to the program.” If benefits are included in the grant at a smaller percentage than the employee’s salary, please include a statement addressing which entity funds cover the remaining benefit costs. • (Page 68) Employee benefits “apply to the same function number as the cost of the applicable salary.”
?	Capital Assets/Equipment Definitions: Federal definition of equipment	Equipment is one of the items identified as a “capital asset” under ISBE’s Part 100 Requirements for Accounting, Budgeting, Financial Reporting and Auditing to describe an instrument, machine, apparatus, or set of articles that meets all of the following criteria: <ul style="list-style-type: none"> • Under normal conditions of use, including reasonable care and maintenance, it can be expected to serve its principal purpose for longer than 12 months; • Does not lose its identity through fabrication or incorporation into a different or more complex unit or substance; • Is nonexpendable; that is, if the item is damaged or some of its parts are lost or worn out, it is more feasible to repair the item than to replace it with an entirely new unit; • Retains its appearance and character through use; and

	<p>Capitalization threshold</p> <p>Acquisition Cost (2 CFR 200.2)</p> <p>Current Fair Market Value</p> <p>Purchase (2 CFR 200.318-326)</p> <p>Management (2 CFR 200.313(d))</p>	<ul style="list-style-type: none"> • Has a cost equal to or in excess of the capitalization threshold adopted by the school board. <p>The <u>federal definition</u> of equipment is provided in 2 CFR 200.33: Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost that equals or exceeds the lesser of the capitalization level established by the non-federal entity for financial statement purposes, \$500 (500 object) or \$5,000 (capitalized asset object 700).</p> <p>Capitalization threshold means a dollar figure above which the cost of an item will be depreciated. Each school board shall adopt a capitalization threshold. Non-capitalized equipment are items that would be classified as capital assets except that they cost less than the capitalization threshold, but more than the \$500 minimum value established for purposes of calculating per capita cost pursuant to Section 18-3 of the School Code.</p> <p>The net invoice unit price of the asset or equipment, including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the equipment usable for the purpose for which it was acquired. Ancillary charges, such as taxes, duty, protective in transit insurance, freight, and installation, may be included in or excluded from the acquisition cost in accordance with the non-federal entity's regular accounting practices.</p> <p>Term used to describe the value of an asset obtained from two signed bids from potential purchasers or two appraisals from authorized appraisers for the purpose of disposing of or transferring equipment. When the equipment is being traded in for like or similar equipment used in the same program for the same purpose, the trade-in value constitutes the current fair market value of the traded-in equipment.</p> <p>All equipment purchased with state or federal funds must be in accordance with the regulations of the funding source. The equipment must be reasonable and necessary to effectively operate the program.</p> <p>Each application for a grant shall fully describe the need for such equipment and how such equipment will be used. Equipment, as well as other costs, must be included in an approved budget or amendment prior to purchase (when applicable). Lease purchases of equipment are authorized. Lease purchases that span more than one grant year are permissible. Costs can be recovered from more than one year of grant funds.</p>
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	Disposition (2 CFR 200.313(e))	<p>The following provisions should be understood related to such situations:</p> <ul style="list-style-type: none"> • Documentation should be retained that substantiates the decision to enter into a lease purchase agreement rather than a direct purchase; • Grant continuation from the Illinois State Board of Education cannot be guaranteed; • Interest and finance charges cannot be charged to federal grants, but can be charged to state grants; • Grantees must keep financial and programmatic records that document the disbursement of funds associated with the agreement; and • Lease purchases must be budgeted as capital outlay or non-capitalized equipment. <p>Procedures for managing equipment (including replacement equipment) whether acquired in whole or in part with grant funds, until disposition takes place, at a minimum must meet the following requirements:</p> <ul style="list-style-type: none"> • Property records must be maintained that include: <ul style="list-style-type: none"> o A description of the property; o A serial number or other identification number; o The source of property; o Who holds title; o The acquisition date and cost of property; o Percentage of state/federal participation in the cost of the property; o The location, use and condition of the property; and o Any ultimate disposition date, including the date of disposal and sale price of the property. • A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years to verify the existence, current utilization, and continued need for the property. • A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated and fully documented. • Adequate maintenance procedures must be developed to keep the property in good condition. • If the fund recipient is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return. • All equipment or property purchased with grant funds shall be identified and marked as such.
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		<ul style="list-style-type: none"> • All equipment purchased with federal/state funds are the property of the state/federal program. These procedures should be followed for the transfer or deletion of equipment that is obsolete, nonrepairable, damaged, lost, or stolen. <p>Equipment deletion procedures must be followed for equipment purchased with:</p> <ul style="list-style-type: none"> • Federal funds: entitlement programs; • State funds: designated for populations that the fund grantees are not required to serve; • State funds: when the entire program is paid for by the state; and • State funds and federal discretionary funds: if program ceases to serve the population for which the equipment was originally purchased. <p>When equipment is no longer needed for the original project or program for which it was acquired, the equipment may be used, if needed, in other projects or programs currently or previously sponsored by a federal or state agency unless ISBE has required an equipment transfer. The equipment may be retained, sold, or otherwise disposed of if the equipment is not needed in any federal or state sponsored project or program.</p> <p>The following specific procedures to eliminate any item from the inventory must be followed:</p> <ul style="list-style-type: none"> • Items of equipment with a current per unit fair market value of \$5,000 or less may be retained, sold, or otherwise disposed of with no further obligation to the federal awarding agency. The disposition of such items should be noted on the equipment inventory maintained by the entity. • Please follow the procedures below for Items of equipment with an acquisition cost of \$5,000 or more: <ul style="list-style-type: none"> o Obtain two signed bids from potential purchasers or two appraisals from authorized appraisers to determine the per unit current fair market value. <ul style="list-style-type: none"> ♣ If the per unit current fair market value is less than \$5,000, see the bullet item directly above. ♣ If the per unit current fair market value is \$5,000 or more, the equipment may not be disposed of, transferred, or traded in without ISBE approval. <p>The procedures below are to be followed to dispose of such equipment:</p> <ul style="list-style-type: none"> o Submit information along with bids or appraisals to ISBE's Funding and Disbursements via the Equipment/Deletion Transfer System in IWAS.
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	Transfer	<ul style="list-style-type: none"> o The Illinois State Board of Education will issue instructions that authorize the sale of the equipment to the highest bidder, the entity may purchase the item at the highest appraisal price, or the equipment may be traded in. If the equipment is sold, \$500 or 10% of the sales proceeds, whichever is greater, may be deducted and retained from the amount otherwise due for selling and handling expenses. o The remaining funds from the sale of the equipment may be retained by the grantee as long as the funds are deposited in the grant program from which the original expenditure was made. Subsequent expenditures must be used for allowable costs and provision of services permitted by the grant program and should be used in the same year of sale. o If the equipment was sold for a federal program that requires MOE (e.g., Individuals with Disabilities Education Act [IDEA]), expenditures from the sale of equipment shall not be included in the grantee’s MOE calculation. o A check payable to the Illinois State Board of Education must be forwarded to Funding and Disbursements. <ul style="list-style-type: none"> ♣ Federal Entitlement funds: The amount returned will be added to the entity’s funds applicable to the project year in which the equipment is sold. If the district wishes to use the additional funds available to them, an amendment must be filed. ♣ Federal Discretionary funds: The amount returned will be added to the appropriate federal grant. ♣ State funds: The amount will be returned to the General Revenue Fund of the state. <ul style="list-style-type: none"> • If the item has been damaged, lost, or stolen, an official investigation by the proper authority should be conducted and fully documented. A copy of this information must be retained by the entity and indicate compliance on the Equipment Deletion/Transfer information transmitted to Funding and Disbursements. • Permission to dispose items from inventory will be granted, following review and approval of the Equipment Deletion/Transfer information via IWAS. <p>The Illinois State Board of Education reserves the right to transfer equipment if the grant activities cease to exist for the grantee for which the equipment was originally acquired. The following specific procedures to transfer any item from the inventory must be followed:</p> <ul style="list-style-type: none"> • Complete the Equipment Deletion/Transfer information via IWAS. • Permission to transfer the items from the inventory will be granted, following the review and approval of the Equipment Deletion/Transfer information.
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		<ul style="list-style-type: none"> o The Illinois State Board of Education will issue instructions that arrange for the transfer of the equipment to the receiving entity at the time of approval. o The transferring entity and the receiving entity will receive documentation of transfer following the review and approval of the Equipment Deletion/Transfer information. <ul style="list-style-type: none"> • The receiving entity must include the transferred equipment on its permanent inventory. The transferring entity must delete the equipment from its permanent inventory.
	Carry Over Funds	Perkins does not allow carry over funds for the CTE Consolidated Grant.
	CTSOs	<p>May be used for fees or dues for instructional CTSO memberships. Items like institutional memberships, travel, registration, etc.</p> <p>May not be used for student out of state travel.</p> <p>May not be used for food and rewards/incentives of a non-instructional kind.</p> <p>Can be used for special populations to remove barriers-such as individual CTSO membership and other related supplies/materials that are related to the special population barrier.</p>
	Certifications or Certification Exams (see Tuition/Postsecondary Fees)	<p>Perkins funds may be used to pay for an individual student certification or certification exam or test.</p> <p>Perkins funds may be used to pay for obtaining an industry recognized certification (e.g., Microsoft Office Specialist Certification licensing, OSHA Construction Safety Certification, CareerSafe, OSHA-10).</p> <p>Certification Practice tests licensing may be allowable with prior approval and if they are directly tied to approved CTE programs of study. Online college prep tests are non-allowable.</p>
	Childcare	Not allowable except in the instance of removing access or other barriers for a member of a special population, such as single parents participating in special CTE assistance programs. It is recommended to obtain prior approval by ISBE via the Perkins application budget description.
	Clothing and Uniforms	<p>Protective or industry-standard lab clothing or attire for developing and implementing a new approved CTE program may be allowable.</p> <p>Non-consumable and industry-grade culinary aprons, gloves, coats and hats, welding aprons, and welding gloves, etc. are allowable.</p>





		All items purchased with Perkins funds would remain the property of the department, not an individual student. Items may be issued to students to be used during the class to ensure proper safety and sanitation.
<input checked="" type="checkbox"/>	College Visits	Expenses for CTE students to attend field trips, laboratory experiences, and CTE instruction directly related to approved CTE activities are permissible. Overnight and out-of-state student fields trips are not allowed.
<input checked="" type="checkbox"/>	Computers	Computers must be of industry standard that are found in the business world and directly tied to an approved CTE program of study or other approved activity.
<input checked="" type="checkbox"/>	Conferences	See "Travel".
<input type="checkbox"/>	Construction or Renovation Costs	Construction costs and materials for a permanent structure (e.g., greenhouse) or anything that becomes a part of a permanent structure are non-allowable expenditures. Construction, remodeling, rewiring or line installation or anything permanently affixed to a building is non-allowable. Equipment that is mounted or becomes part of a building/structure and construction that ultimately increases the base cost, value or extending the life of a property is non-allowable.
<input checked="" type="checkbox"/>	Consultants	Consultant fees must be justified in the CTE application and pre-approved. Consulting fees plus travel, lodging, and per diem shall conform to the funded agency's written policy. Consultant travel, lodging, and per diem must be itemized in the budget description in the electronic CTE application.
<input type="checkbox"/>	Contingency or "petty cash" Funds	Non-allowable.
Informational Only	CTEI Elementary Allotment	Each EFE receives a base amount in Career and Technical Education Improvement (CTEI) funds for elementary career exploration and development that must be spent on elementary career exploration and development in Grades K - 8. If the Local Needs Assessment indicates that additional funds are needed to support K-8 career exploration and development, a school district can spend above its CTEI elementary allocation.

	<p>CTSOs</p>	<p>CTEI and Perkins funds can only be used for nationally and Illinois recognized CTSOs that are aligned to approved secondary CTE programs, are advised by appropriately licensed CTE teachers, and have CTE student members.</p> <p>Student costs are only allowed for those participating in approved secondary CTE programs.</p> <ul style="list-style-type: none"> • Allowable CTSO costs are: <ul style="list-style-type: none"> o Transportation for state competition and leadership conferences utilizing most cost-effective means; o Special population state and national membership; o Student’s registration/fees for state and national competition and leadership conferences; o Chapter adviser state professional development; o Chapter adviser to attend national conference – handle on a case-by-case basis; and o New CTSO’s (chapter adviser) stipend that is not currently being paid for by other funding sources (e.g., local, state, etc.), as that constitutes supplanting and is not allowable.
	<p>Direct Assistance to Students</p>	<p>Direct assistance to a student not identified as a member of a special population, gender, or nontraditional is not allowable. Perkins funds may not be spent on direct assistance to a student on such items or activities as childcare, fees, lodging, meals, textbooks, tools, transportation, and workbooks. However, there is an exception if the assistance is supporting the removal of access or other barriers for a member of a special population, such as single parents participating in special CTE assistance programs.</p> <p>Prior approval is typically required, and the following conditions must be met:</p> <ul style="list-style-type: none"> • Recipients of the assistance must be individuals who are members of a special populations who are participating in approved CTE programs that are consistent with the goals and purposes of Perkins V. • Assistance may only be provided to an individual to the extent that is needed to address barriers to the individual’s successful participation in CTE programs. • Funds must be used to supplement, not supplant, assistance that is otherwise available from non-federal and other federal sources. For example, an eligible recipient could not use Perkins V funds to provide childcare for single parents if non-federal or other federal funds previously were made available for this purpose, or if non-federal or other federal funds are used to provide childcare services for single parents participating in non-career education programs and these services otherwise

		<p>would have been available to CTE students in the absence of Perkins funds.</p> <ul style="list-style-type: none"> • Direct assistance should be paid to the vendor rather than the student whenever possible. Actual expenses can be reimbursed based on submission of a documented expense voucher. Costs for public transportation or a rate consistent with public transportation may be allowed only to provide student’s transportation to attend an approved CTE activity. Perkins funds cannot be given to students for purchase of uniforms, equipment, or materials. Perkins funds cannot be used for car repair.
	Dual Credit/Dual Enrollment	<p>Grants can pay dual credit costs for members of special populations only.</p> <p>Perkins V Section 135(b)(5)(S) allows for 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 support for the costs associated with fees, transportation, childcare, or mobility challenges for those special populations.</p>
	Entertainment	<p>Expenditures for entertainment or social activities are non-allowable, such as beverages, lodging, meals, non-working meals, transportation, and gratuities.</p> <p>In virtually all situations, using grant funds to pay for food and beverages for receptions and networking sessions is not justified because participation in such activities is rarely necessary to achieve the purpose of the meeting or conference and in most events, does not have a programmatic purpose. Please remember that entertainment costs, including costs for amusement and social activities, are never allowable. Also see “Meals”.</p>
	Extended Warranty and Protection Plans	Not allowable. The purchase of items for longer than the time period of the grant funds are available is a non-allowable item.
	Equipment (General)	Perkins Sec. 135, 5(D) appropriate equipment 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 materials.
	Equipment	For equipment costing over \$5000, refer to the section above on “Capital Assets.” Equipment needs to have the purpose, program, description of equipment, unit cost and quantity when requesting budget approval.

		<p>Expenditures for equipment must be justified as a needed improvement or addition to a CTE program based new pathways or programs of study. Replacing a piece of equipment with the same piece of equipment because it is worn out is not non-allowable. Purchasing a new industry standard piece of equipment to replace outdated equipment or technology is approvable.</p> <p>Professional development costs to support the new equipment is allowable and should be included.</p> <p>CFR 200.313</p> <ol style="list-style-type: none"> 1. Equipment purchased with Perkins grant funds can only be used for approved CTE programs and services. It must support the development of current and relevant skills needed in business and industry as identified throughout the CLNA/LNA process and aligned with the curriculum provided by the eligible recipient. 2. Property Records must be maintained that include a description of the property, a serial number or other ID number, the source of funding (including the FAIN (Federal Award Identification Number), who holds the title, acquisition date, cost of the property, Percentage of Federal participation in the project costs for the Federal award under and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property. Inventory Records need to be obtainable at both entities. 3. A physical inventory of the property must be taken, and the results reconciled with the property records at least once every two years. 4. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage or theft must be investigated. 5. Adequate maintenance procedures must be developed to keep the property in good condition. 6. If the non-Federal entity is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible level of return. <p>Equipment must be retained for use by the CTE programs offered. Perkins funds cannot be used to support purchases for use by the general school population. Equipment may be on file and the proceeds must be refunded into the CTE program.</p>
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☒	Facilities	Construction, remodeling, rewiring or line installation or anything permanently affixed to a building is non-allowable.
☒	Fines and Penalties	Not allowable.
?	Food	<p>Food is:</p> <ul style="list-style-type: none"> • Not allowed in Perkins, unless it is travel meal reimbursement for professional development or an instructional supply in an approved CTE program. • Allowed in CTEI as a travel meal reimbursement for professional development, an instructional supply in an approved CTE program, or if a professional development or meeting aligns with the following conditions: <ul style="list-style-type: none"> o Facing a genuine time constraint; o Limited to lunch; o The cost of the lunch must be reasonable; o The information presented during the lunch must be an important part of the agenda (working lunch); o Prepare carefully documented justification (written) for the working lunch and keep on file for auditing; and o No snacks or beverages. <p>This DOES NOT apply to lunches for students at all-day events.</p>
	FTE	<p>Under the prior CFR circulars, employees only were required to report time on the funded grant project. Currently, time must be tracked for the work on the grant project AND for non-grant time, all totaling 100 percent, so generally, under the uniform guidance, payment between grant and non-grant time must equal 40 hours/week or 100 percent time. Therefore, if you are talking about a 12-month employee with an annual salary of \$100,000 that represents 100 percent of time, then the employee would receive \$90,000 institutional base salary or 90 percent and \$10,000 grant salary or 10 percent, totaling 100 percent of time.</p> <p>The employee cannot be double-paid by both the institution and the grant for the same time, exceeding 100 percent. If you are talking about a 10-month employee with an annual salary of \$100,000 for 10 months, and the grant work occurred during the 10 months, time would be treated similarly to the 12-month employee; however, if the grant work occurred over the summer months, outside and apart from the annual base salary, the time could exceed 100 percent.</p>
?	Furniture	Standard classroom furniture not unique to CTE instruction is non-allowable. Storage files or cabinets are not allowable. However, if the furniture is an integral part of an equipment workstation or to provide reasonable accommodations or remove barriers for CTE students who are members of a special

		population group they may be considered allowable. Prior approval is required.
	Gifts, door prizes, etc.	Cash and incentives are not allowed with grant funds.
	Homeless costs	Homelessness costs are allowable when a student is part of the special populations designation, and the expenses directly relate to CTE programs.
	Indirect Costs --Restricted and Unrestrictive	<p>Perkins grant are Restrictive indirect costs and are capped at 5%. Additionally, administration fees must be included within the 5%. Combined, this amount cannot exceed the 5% cap.</p> <p>The amount of capital outlay (equipment) is excluded from the total direct costs when the indirect cost rate is applied to determine the dollar amount of indirect cost to be allowed by the project. The application calculates this for the applicant.</p> <p>CTEI grant-Unrestrictive indirect costs. 5% adm. plus indirect rate for total allowed.</p> <p>Direct vs. Indirect Costs: An expenditure may not be assigned to the grant as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the grant as an indirect cost.</p> <ul style="list-style-type: none"> o Indirect costs can only be taken on the main grant of both the CTEI and Perkins portions of the Consolidated Application. o Indirect costs cannot be taken at the subgrantee level of both the CTEI and Perkins portions of the Consolidated Application. <p>**Salaries are not part of indirect costs.</p>
	Industry-Recognized Credentials/Certifications/Licenses	<p>Industry-recognized credentials/certifications/licenses for approved programs that align to high-skill, high-wage, or in-demand industry sectors or occupations are allowable.</p> <ul style="list-style-type: none"> • Comprehensive Local Needs Assessment stakeholders and existing advisory committees should provide guidance on which credentials/certifications/licenses to offer. • Function Code 2230 shall be used to record the cost of all student assessment and testing, including industry-recognized credentials, certifications, and licenses. The object code will be either 300 or 400, depending on the type of expense. The expenditure description must itemize the specific name and total cost of the assessment or testing for each credential, certification, or license paid for by the grant. • If the credential is included as part of a curriculum fee, please ask the vendor to break out the percentage of the cost for







		curriculum (1000/300 or 1000/400) and the percentage for student credentialing or assessment.
?	Installation Fees	Expenses for installing equipment or materials including wiring are not approvable. However, equipment requiring professional factory installation and training (to ensure the warranty remains valid) is allowable.
✓	Instructional Supplies and Materials	Supplies and materials are allowable expenditures, within reason, used to meet the intent of the program. Instructional resources must also be justified by the curriculum aligned with state model programs of study. Appropriate, non-consumable instructional and curriculum materials may include reference books, audio-visual materials, instructional software, curriculum, etc.
?	Instructional Resources	Textbooks are considered a part of the regular school's obligation and therefore are not approvable because of the federal guidelines on supplanting state and local resources. However, when the books or curriculum are purchased for developing new curriculum not previously offered, such as implementing a new program of study, new pathway or aligning curriculum with state standards, it may be permissible. Supplanting occurs when the school is replacing textbooks of an existing program. Justification must be provided for expending funds on instructional materials and supplies and how they help meet the objectives of the law and local Perkins application. Justification should include a description of how the expenditure helps modernize, improve, or expand CTE offerings and aligns with industry standards and expectations and is part of the budget description in the CTE Consolidated Application.
✗	Insurance	Building, equipment, or personal/institutional insurance is non-allowable.
✗	Interest and Other Financial Costs	Non-allowable.
✓	Kitchen Tools	Allowable for Culinary Arts programs.
?	Leasing and Rental Fees	Leasing a vehicle is not allowable. Rental fees for property and equipment may be allowable with Perkins funds. Rental costs are allowable to the extent that the rates are reasonable considering such factors as "rental costs of comparable property, if any, market conditions in the area; alternatives available; and the type, life expectancy, condition, and value of property leased."

		Rental arrangements should be reviewed periodically to determine if circumstances have changed or if other options are available.
?	Licenses	The purchase of licenses for longer than the time period that the grant funds are available is non-allowable. (LEA's cannot "pay ahead" within a 12-month grant period.)
?	Marketing/Promotional Expenses	<p>Promotional materials are not approvable. Examples include cups/glasses, banners, folders/bags, gratuitous items, key chains, public relations costs, gifts (of any kind), notepads, pens/pencils, t-shirts, printing and disseminating of non-instructional materials.</p> <p>Costs associated with advertising in magazines, newspapers, radio and television, internet, direct mail exhibits, etc. are not allowable uses of Perkins funds. Other funding sources should be sought for these expenditures.</p> <p>Advertising costs are only allowable when they are for program outreach and other specific purposes necessary to meet the requirements of Perkins as well as those outlined in the Local Application.</p>
?	Maintenance	<p>Repair and/or maintenance of instructional equipment performed by persons other than school district employees is an eligible expenditure. General maintenance agreements for equipment not purchased with Perkins funds are not an eligible expenditure.</p> <p>Maintenance contracts or agreements are not allowable.</p>
<input checked="" type="checkbox"/>	Memberships, Subscriptions, and Professional Activity Costs	<p>CTE-related school district memberships in business, technical, and professional organizations are allowable.</p> <ul style="list-style-type: none"> • CTE-related organization subscriptions to business, professional, and technical periodicals are also allowable. • Individual memberships are not allowable (CFR 200.454).
?	Meals (Working Lunches, Food and Beverage)	<p>See "Food" above.</p> <p>Banquets and meals are considered entertainment expenses and therefore non-allowable. Working lunches (such as for an advisory committee meeting) may be permissible. Expenditures for working lunches should be considered only when secondary to the meeting. In other words, the meal is not the purpose of the meeting.</p>

		The U.S. Department of Education issued “Frequently Asked Questions (FAQ) to assist U.S. Department of Education Grantees to Appropriately Use Federal Funds for Conferences and Meetings.” See http://www2.ed.gov/policy/fund/guid/gposbul/faqsgrantee-conferences-may-2013.doc).
?	Middle School (grades 5-8)	Middle grades CTE (grades 5-8) purchases would be allowable if they are to modernize, improve or expand CTE offerings and align them to current industry standards and expectations. They must also be used for a course to enhance instruction for students to gain knowledge and skills that meet industry standards and certifications in high-wage, high-skills, and in-demand occupations. The key is career skills development (not family, personal development, or teen parenting courses) aligned to business/industry standards.
?	Non-Public School Personnel	Section 217(a) of Perkins V requires that an LEA that uses Perkins funds for in-service and preservice CTE professional development programs for CTE teachers, administrators, and other personnel, to the extent practicable, and upon written request, permit private school teachers, administrators, and personnel to participate in such programs. Section 217(a) only applies to those personnel in private schools that offer CTE programs of study at the secondary level and are located in the geographical area served by the LEA. Section 217(a) does not require the LEA to expend Perkins funds for separate programs and activities for private school personnel.
?	Non-Public School Student Services	Section 217(b) of Perkins V allows, but does not require, an LEA, upon written request, to use its Perkins V funds to provide for the meaningful participation of secondary students who reside in the geographical area served by the LEA and who are enrolled in a nonprofit private/home school, except as prohibited by State or local law. An LEA is not required to spend any specific amount of funds on services for private/home school students; however, they are encouraged to provide services of reasonable scope and usefulness.
?	Out-of-State Travel	Students: Out-of-state travel for students cannot be included in either grant. This includes, but is not limited to, CTSO events/competitions, field trips, etc. More than 50 miles outside of the Illinois border constitutes out-of-state. CTE Teacher (and other allowable roles): Professional learning related to the purposes of this grant will be allowed with ISBE

		<p>approval, which should be obtained at least 30 days prior to the travel date. Such travel must be in accordance with written EFE System policy. Travel will be reimbursed at rates defined in this policy. Such travel records must be maintained at the local level for audit purposes.</p> <ul style="list-style-type: none"> • The following details <i>must be included in the expenditure description and itemization textbox for out-of-state travel for CTE teacher and other allowable roles: function attending, location, number of travelers, projected cost, date(s) of travel, and benefit to project.</i>
	Professional Learning – Support for Teacher Master’s Degrees to Teach Dual Credit	<p>Funds to support teachers as they earn a master’s degree are not an allowable expense.</p> <ul style="list-style-type: none"> • Perkins V outlines two specific areas where you should support educator professional growth. In Perkins V Section 135(b)(2), “Provide professional development for teachers, faculty, school leaders, administrators, specialized instructional support personnel, career guidance and academic counselors, or paraprofessionals, which may include: <ul style="list-style-type: none"> o “(2)(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 an industry, including the latest workplace equipment, technologies, standards, and credentials; and o “(2)(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.”
	Purchased Professional & Technical Services	Purchased services are allowable expenses, within reason, used to meet the intent of the program, and documented at the local level. Examples may include subcontractors, consultants, reimbursement for substitute teachers, training, and working meals (see more information under “Meals”).
	Remedial Courses	Remedial or developmental courses are not approvable.
	Rental Fees	See “Leasing /Rental Fees.”
	Salaries and Benefits	Grant funds may be used to pay staff for grant-related activities if the time spent is documented and justification is made for determining the rate of compensation.

		<p>Under no circumstances is supplanting allowable. Time and effort documentation must be provided for reimbursement. When it is permissible to use funds for staff, expenditures must be limited to only the amount that is necessary to carry out the activity. Funds cannot be used to maintain staff; however, if funds are used to establish a new program, then funds can be used to provide instructional staff for new positions.</p> <p>Employee benefits are considered part of the personnel cost. These may include social security, retirement, health insurance, worker’s compensation, tax-sheltered annuities, and life insurance.</p> <p>Personnel who are chargeable to more than one program must be time certified, and time certification records should be kept on the local level. Include all personnel that will be associated with the project. This should include the name of the person or position, how the salary/benefits were calculated, and the total salary for the project.</p> <ul style="list-style-type: none"> • Teacher and Teacher Aide Salary -there is no cap on salary and benefits. They just need to be reasonable and necessary. • CTEI and Perkins can continue to support teacher aides as in previous fiscal years.
?	Software licenses or Cloud-based applications	<p>Instructional software licenses/ cloud-based applications are defined as software/apps that is needed to improve the academic or technical skill development of students, is used for professional development of teachers, or to update technological resources available in the programs to industry standard.</p> <p>Instructional materials, cloud-based applications including software licenses, must enhance instruction for students to gain knowledge and skills that meet industry standards and expectations for scope, size, and quality.</p> <p>Instructional software licenses/ cloud-based applications should align with content-area and program of study standards and may be reviewed by a career field specialist for approval. Software renewals are permissible if they meet the criteria mentioned previously.</p> <p>Instructional software licenses/ cloud-based applications to maintain the security of the equipment and/or program is non-allowable and considered a local district responsibility.</p>

		NOTE: Software licenses/cloud-based apps –300 function; Individual software-400 function.
	Stipends/Extended Contract Time	Stipends may be paid to teachers or participants (other than students/clients) participating in in-service training or workshops and any other teacher assignment that is directly related to implementing a CTE program.
	Store/Gift Cards	CFR §200.445 Goods or Services for Personal Use (a)Costs of goods or services for personal use of the non-Federal entity's employees are non-allowable regardless of whether the cost is reported as taxable income to the employees. Additionally, several costs are specified as unallowable under UGG (§200.423 Alcoholic beverages, and §200.438 Entertainment costs) under which the use of store cards could inadvertently result in misuse of funds meaning the purchase of store cards (gift cards) with federal funds is not allowable because even if the card is intended to be used for allowable uses under the grant program, the recipient may not use it accordingly, either knowingly or unknowingly.
	Student/Staff Assessments	Individual student, staff assessments, or team building products that are specific to each person are non-allowable (e.g., Gallup's Strengths Finders, etc.)
	Student Transportation	Student transportation to and from home school/serving school, <u>except</u> for special population students (see Section 135(b)(5)(S); e.g., local high school to area career center) is not allowable. Additionally, if a district does not provide transportation for any type of field trip, transportation funds may be used for specific CTE program needs. As with anything, supplement vs. supplanting applies to the cost.
	Subcontractors	The funded agency may enter into written agreements for part of the services to be provided under the local application. Such an agreement will describe the services of the subcontractor and will contain provisions assuring that the funded agency will retain supervision and administrative control over the services. Services of the subcontractor agreement must be specified in the local Perkins application. If subcontractors are used, indicate their qualifications and specific responsibilities to the local agency.
	Substitute Teacher Salaries	Funds to pay for substitute teachers are an eligible expense if it allows for CTE educators to participate in professional development activities (on-contract time).

		Supporting documentation, such as sign-in sheets/agendas and payroll records may be requested for reimbursement. See Appendix C.
<input checked="" type="checkbox"/>	Teacher Equipment	<p>In previous grant years, teacher equipment was not an allowable expenditure. Considering virtual learning situations, swivel cameras or similar equipment that record a CTE teacher's demonstration of technical skills for student learning are an allowable purchase beginning FY 2021.</p> <p>Additional teacher equipment purchases will be handled on a case-by-case basis. Please email these questions to your CTE Principal Consultant.</p>
	Textbooks	See "Instructional Resources, Materials, and Supplies."
<input checked="" type="checkbox"/>	Team-Based Challenges	<p>A team-based challenge is "a group problem-based learning project relating to an individual's career area of interest that involves a problem relating to employers within that area, including mentoring from adults with expertise in that area, and requires the individual to present the outcomes of the project." (Illinois Career Pathways Dictionary)</p> <ul style="list-style-type: none"> • CTEI and Perkins funds can only be used for team-based challenges involving CTE students, aligned to coursework in approved secondary CTE programs, and overseen by appropriately licensed CTE teachers. • Allowable team-based challenge costs are: <ul style="list-style-type: none"> o Transportation to challenge events utilizing most cost-effective means; o Student's registration/fees for challenge participation; and o Facility, supply, and material cost associated with conducting a challenge event. • Not allowable team-based challenge costs are: <ul style="list-style-type: none"> o Student hotel costs; and o Out-of-state travel for students. More than 50 miles outside of the Illinois border constitutes out-of-state.
<input checked="" type="checkbox"/>	Training	The cost of training provided for teacher development is allowable. This may include the cost of rental space to hold a meeting and similar expenses. Please see the section on "Meals" for more information about working lunches.
<input checked="" type="checkbox"/>	Travel	Expenditures for travel, including conference expenses, must support the requirements of the legislation and local Perkins application. In-state travel is allowable. Out-of-state travel is allowable if the grantee is unable to receive comparable information (a comparable service or conference) within the state. If the budget includes expenses for out-of-state travel, include justification under performance measures/planned activities.

		<p>Examples of allowable expenses may include:</p> <ul style="list-style-type: none"> · Personnel Travel · Board and lodging · Mileage (paid at the local district’s established rate) · Airfare (if appropriate) <p>Travel expenses are limited to mileage, airfare, meals, and lodging. Travel must be justified in terms of value of the travel to the successful completion of the local application.</p> <p>Costs associated with participation in both in-state and out-of-state conferences are approvable as requested on the local application.</p> <p>The potential benefit to CTE programs should be identified on the local application for justification of conference participation.</p> <p>NOTE: Perkins funds cannot be used for travel outside of the United States.</p>
?	Tuition/Postsecondary Fees	<p>Under federal law, tuition may be allowable for teachers/staff to advance their skills within a CTE related program. The reimbursement cannot be for tuition towards earning a Bachelor’s, Master’s, or Doctoral degree. Pre-approval is required.</p> <p>Any tuition or fees for students related to postsecondary education is non-allowable.</p> <p>This includes tuition and fees associated with dual-credit or advanced placement coursework, including testing.</p> <p>Tuition and fees for students who are a member of a special populations may be allowable.</p> <p>Perkins V emphasizes that students from special populations in CTE must be provided support that will ensure program accessibility and assist them in overcoming barriers that may limit their opportunity for success. Approvals are made on a case-by-case basis.</p> <p>Justification of how the student will acquire current industry skills leading to a credential/certificate/degree in high-wage, high-skill, and high-demand industry sections will be required before tuition assistance can be offered.</p>
	Uniforms	See “Clothing/Uniforms”.

?	Vehicles	<p>Car repairs are not an allowable expense. Purchasing or leasing buses, airplanes, boats, golf carts, ATVs, and motorcycles are not allowable.</p> <p>Purchasing of automobiles, tractors, and trailers may be approvable. Justification for approval indicating how the cost is necessary and reasonable and allocable to the grant will be required. Decisions will be made on a case-by-case basis.</p>
<input checked="" type="checkbox"/>	Work-Based Learning	<p>Activities that support CTE student work-based learning activities that are supplementary in nature. Salary, benefits, or stipend of teacher supervising the WBL experience. Supplies and materials for the instructional classroom. Items that limit barriers for special populations to participate in the WBL experience.</p>