

Perkins Regulations and Allowable Costs Guidance





TABLE OF CONTENTS

Perkins V Uses of Funds 3

Supplanting..... 3

Is it Necessary, Reasonable, or Allocable? 3

Uses of Funds 3

SECRETARIAL AND ADMINISTRATIVE COSTS 4

SALARIES AND BENEFITS 4

INDIRECT COSTS 4

STUDENT INCENTIVES AND AWARDS 4

SUPPLIES..... 4

STUDENT ORGANIZATIONS 4

UNIFORMS 5

PROMOTION AND MARKETING 5

EQUIPMENT 5

CONSTRUCTION/REMODELING 5

STANDARD OPERATING SOFTWARE 5

MEMBERSHIPS 5

INITIAL TEACHER TUITION COSTS 6

CLOTHING..... 6

Perkins V Allowable Expenditures 6

Perkins V Disallowable Expenditures 7

2 CFR Part 200 Subpart E: Cost Principles 7



Perkins V Uses of Funds

The purpose of funding under the [Strengthening Career and Technical Education for the 21st Century \(Perkins V\) Act](#) is to greater develop the academic knowledge and employability skills of secondary and postsecondary education students who elect to enroll in career and technical education programs. Perkins funds must be used to support Ohio Department of Education approved career-technical education programs.

This is not a complete list of allowable and disallowable costs as it relates to Perkins. The allowability of an expenditure should be determined by considering the grant's purpose, requirements of the Perkins V and any pertinent [federal cost guidelines](#).

Supplanting

SEC. 211-Fiscal Requirements of the Perkins V Guidelines indicates that “funds made available under this Act for career and technical education activities shall supplement and shall not supplant non-Federal funds (local or state funds) expended to carry out career and technical education activities.”

Supplanting occurs when federal dollars replace what is typically paid for by local or state dollars to support career-technical education programs and activities. Federal funds cannot be used to pay for services, staff, programs or materials that have previously been paid for with state or local funds. Grant recipients must monitor expenditures to ensure that Perkins funds are not supplanting the general requirements of the local educational agencies. This law is designed to ensure that Perkins funds pay for something extra and not the day-to-day operational costs.

Is it Necessary, Reasonable, or Allocable?

Career-technical education is about career preparation through industry-driven programming and learning opportunities. The goal is to have the same equipment and tools that industry professionals use. Learning opportunities should include the same functions that industry professionals perform. However, for a cost to be allowable, it must be necessary to complete the activities within the grant and meet the standards outlined in §200.403 on Factors affecting the allowability of costs.

Uses of Funds

Each eligible recipient that receives funds under this part shall use such funds to develop, coordinate, implement or improve career-technical education programs to meet the needs identified in the Comprehensive Local Needs Assessment described in section 134(c) of the Carl D. Perkins Strengthening Career and Technical Education for the 21st Century Act.

The six *requirements*¹ for the use of funds are:

1. Career Exploration and career development activities through an organized systematic framework;
2. Professional development for career-technical education professionals;
3. Provide within career-technical education the skills necessary to pursue high-skill, high-wage, or in-demand sectors or occupations;
4. Support integration of academic skills into career-technical education programs and programs of study;

¹ Perkins V Local Uses of Funds § 135(a)(b) (1)-(6).



5. Plan to carry out elements that support implementation of career-technical education program and programs of study that result in increased student achievement; and
6. Develop and implement an evaluation of the activities funded by Perkins including evaluations necessary to complete the comprehensive needs assessment.

One of the goals of the Office of Career-Technical Education is to provide recipients with technical assistance support concerning Perkins-related issues. Please consult with your education program specialist if you have questions. The following guidelines have been developed as a quick reference:

SECRETARIAL AND ADMINISTRATIVE COSTS

Administration is defined as “activities necessary for proper and efficient performance of eligible agency or eligible recipient’s duties under this act.” The definition further stipulates that administration includes supervision but does not include curriculum development activities, personnel development or research activities. Approved indirect costs are considered administrative costs and must be included in the 5% limitation.

Five percent of your total Perkins dollars can be designated for this purpose Secretarial and clerical support and any supplies associated with administrative functions should be funded from this five percent administrative allotment. **Documentation of actual expenses must be maintained to claim the 5% administrative cost.**

Examples of secretarial and administrative costs include clerical support staff, supervisors and directors.

SALARIES AND BENEFITS

Salaries and benefits may be paid to a career-technical education counselor, a substitute teacher while the teacher is attending professional development or as a stipend to a teacher serving as a Career Technical Student Organization advisor. A teacher initiating a new program in an emerging program area may qualify as an allowable expense for a *maximum of three years*. Academic or ongoing teacher salaries are not allowable expenses.

INDIRECT COSTS

Perkins V allows a recipient to allocate up to 5 percent of the grant funds to administer the grant. The recipient may claim these administrative costs as direct or indirect costs. Both direct and indirect costs represent those costs incurred to administer the grant project. For additional guidance on indirect costs go to the [Grants Administration Indirect Costs page](#).

STUDENT INCENTIVES AND AWARDS

The intent of the Perkins legislation is to “develop more fully the academic and career and technical skills of secondary education students and postsecondary education students.” Perkins allocations must be used to fund career-technical *programs*, not individual student activities, efforts or outcomes. It is not permissible to use Perkins money to fund student incentives, awards, membership fees or to pay stipends for student employment.

SUPPLIES

Instructional supplies and materials may be purchased using Perkins funds. Upgrading technology, such as interactive whiteboard, software and computers may also be allowable provided they do not exceed \$4,999 per unit. Purchasing supply items that support day-to-day instructions and are a one-time use is **unallowable**. Examples of unallowable supply items include pencils, paper, printer cartridges, soil, plants, label makers and other items consumed or worn out with use. **Note:** Any item that can be made into something that can be sold or become personal property is not allowed.

STUDENT ORGANIZATIONS

Perkins permits the use of grant funds to support Career Technical Student Organizations and related activities if the organization is an integral part of a career-technical education program. Funds can be used to purchase supplies or equipment for the student organization or to fund activities. However, the activity must be made



available to all students in a program without regard to membership in the Career Technical Student Organization. Activities also include student preparation for and participation in technical skills competitions aligned with career-technical education program standards and curricula. Perkins funds cannot be used to pay for individual student membership, contest participation fees or associated student travel costs such as transportation, food, clothing or accommodations. Teacher expenses, such as travel, professional dues and stipends may be paid out of Perkins funds.

UNIFORMS

Uniforms or any clothing that becomes a personal possession is not allowable. But uniforms or apparel that will remain in the classroom or laboratory, including lab coats, coveralls, gloves, etc., are permissible.

PROMOTION AND MARKETING

Marketing and promoting career-technical education programs through publications and advertisements is a permissible use of Perkins funds. *Allocations for these purposes should be reasonable in light of the law's intent.* Promotional materials such as coffee mugs, pens, rulers, t-shirts, thumb drives or other items of personal property are not an allowable expenditure under Perkins.

EQUIPMENT

Equipment must be *essential* to develop the students' occupational skills. Every school district should have an approved definition of equipment. If there is none, the federal definition is as follows:

Equipment is defined as a tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

A district may define equipment with a lower minimum acquisition cost, such as \$500 or \$1,000. Digital cameras and projectors may be classified as equipment, provided they are used for career-technical education students and programs.

Furniture is generally not considered equipment unless it is specific to training for a particular career field. Standard multi-purpose furniture is not allowable. Examples of permissible expenses in the furniture category would be a barber's chair or a medical bed. The purchase of desks, filing cabinets, shelving, all-terrain vehicles, or a greenhouse are not permissible uses of Perkins funding.

Note: The maintenance of equipment purchased with Perkins funds is the responsibility of the local school district.

CONSTRUCTION/REMODELING

Activities such as construction and remodeling, which increase the value of an asset or appreciably extend its useful life, are not allowed with federal funds unless authorized by the Act. There is no provision in Perkins V authorizing construction. For example, the cost of equipment mounted, or part of a building is a capital outlay expense and is not permissible with Perkins funds.

STANDARD OPERATING SOFTWARE

Software is only approvable if it is for use in career and technical skill enhancement directly tied to the CTE program of study (aligned to content standards) and directly to classroom/laboratory/workshop instruction.

MEMBERSHIPS

Perkins may not be used to pay individual membership dues which provide benefits to individual members, such as professional association memberships or Career-Technical Student Organization memberships. Institutional affiliation dues for educators and students are allowable with State CTE funds when an association offers group memberships to schools, districts, or states. Such costs must be reasonable.



INITIAL TEACHER TUITION COSTS

The initial teacher license costs are an allowable expense to assist the education community with the expansion of career-technical education programming. Perkins funding can be used for teacher preparation programs to help individuals interested in becoming career and technical education teachers and faculty, including individuals with experience in business and industry.

Use of Perkins Funds

- Career technical educator only
- Not for academic teachers
- Cannot be used for already licensed instructor for continuing education classes.

Supplanting

Please be cognizant of the following concerning supplanting.

- Supplanting is presumed if Perkins V Funds were 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 previously paid by the local school district; this may include salaries, textbooks, stipends, equipment, etc.

CLOTHING

Clothing that is specific to an occupation such as welding coveralls, scrubs, chef's coat, etc. is allowable under both Perkins and State CTE funds as long as the items remain the property of the school or college. T-shirts or individual shirts to promote a program are not allowed under either funding source.

Perkins V Allowable Expenditures

- Administrative Costs
- Career guidance and counseling
- Communication costs (publications, postage)
- Compensation for instructors (salaries, wages, fringe benefits) - three-year maximum
- Contracted services
- Career-Technical Student Organization advisor costs (advisor extra-duty pay/stipend and advisor travel) Conference/competition registration, travel, lodging Funding may not be used to pay for student membership dues.
- Curriculum development
- Displays, demonstrations and exhibits of career-technical education coursework and projects
- Equipment and supplies for approved career-technical education instruction
- Instructor travel, meals lodging for approved career-technical education travel identified in current year Perkins plan
- Marketing and outreach activities (newspapers, radio, TV, magazines)
- Meetings and conferences must be properly documented and follow all basic cost principles
- Institutional memberships and subscriptions - membership must be for the position, not the person
- Professional development costs
- Professional service costs (consultants)
- Program evaluation
- Publication and printing costs
- Support services (curriculum modification, equipment modification, classroom modification, supportive personnel, and instructional aids and devices)
- Rental/lease costs of buildings and equipment
- Stipends
- Substitute teachers (salary and benefits) -time and effort reporting still required for substitute teachers
- Teacher in-service
- Transportation costs (associated with excursions and extended learning opportunities tied directly to career-technical education coursework)

Perkins V Disallowable Expenditures

- Alcoholic Beverages
- Awards such as medals, plaques, trophies and certificates
- Capital expenditures (building construction, modification includes plumbing, electrical wiring, heating, cooling systems and more) or land purchases
- Career Technical Student Organization student lodging, food, registration fees and dues
- Classroom furniture (standard classroom furniture not unique to the instructional program)
- Commencement and convocation costs
- Consumable items for standard classroom operations (paper, CO2 cartridges, batteries, toner, food, 3D printer cartridges, varnish, drill bits, plants, potting soil)
- Contributions and donations
- Individual dues/memberships to professional organizations or societies
- Food and drinks for summer camps or extended day activities
- Games (instructional or non-instructional)
- General storage such as files and cabinets
- Gifts, door prizes
- Insurance
- Instructional aids, uniforms, jump drives, tools or other items to be retained by students
- Interest and other financial costs
- Meals, banquets, tickets to sporting events, entertainment
- Promotional materials, such as t-shirts, pens, cups, key chains or other items of personal property
- Perkins funds may not be used to fund remedial courses (courses designed to provide instruction in reading, writing, and mathematics for students who have not acquired the basic academic skills necessary to succeed in general or in career and technical education courses)
- Student expenses/direct assistance to students (tuition, fees, insurance, other expenses)
- Supplanting
- Tuition costs, university and distance learning fees
- Vehicles such as trucks, buses, airplanes, boats, golf carts, snow mobiles, motorcycles, all-terrain vehicles (vehicles for auto programs are acceptable as it relates to instruction) unless used directly for CTE instruction
- Textbooks for existing courses, unless supplemental
- Purchases made outside the Period of Availability
- Purchases not connected to the Comprehensive Local Needs Assessment and Local Application

2 CFR Part 200 Subpart E: Cost Principles

The list below is for reference purposes only and is not exhaustive of all changes or requirements; therefore, grantees are encouraged to consult the full text of the regulations in 2 CFR 200.

200.404 Reasonable Costs: 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. The question of reasonableness is particularly important when the non-Federal entity is predominantly federally funded.

200.405 Allocable Costs: A cost is allocable to a particular Federal award or other cost objective if the goods or services involved are chargeable or assignable to that Federal award or cost objective in accordance with relative benefits received.

200.430 Compensation for Personal Services: Compensation for personal services includes all remuneration, paid currently or accrued, for services of employees rendered during the period of performance under the Federal award, including but not necessarily limited to wages and salaries.



200.432 Conferences: A conference is defined as a meeting, retreat, seminar, symposium, workshop or event whose primary purpose is the dissemination of technical information beyond the non-Federal entity and is necessary and reasonable for successful performance under the Federal award.

200.438 Entertainment Costs: Costs of entertainment, including amusement, diversion, and social activities and any associated costs are **unallowable**, except where specific costs that might otherwise be considered entertainment have a programmatic purpose and are authorized either in the approved budget for the Federal award or with prior written approval of the Federal awarding agency.

200.453 Materials and Supplies Costs, including costs of computing devices: Costs incurred for materials, supplies, and fabricated parts necessary to carry out a federal award are allowable.

200.461 Publication and Printing Costs: Publication costs for electronic and print media, including distribution, promotion, and general handling are allowable.

200.469 Student Activity Costs: Costs incurred for intramural activities, student publications, student clubs, and other student activities are **unallowable** unless specifically provided for in the Federal award.

200.473 Training and Education: The cost of training and education provided for employee development is allowable.

200.475 Travel Costs: Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of the non-Federal entity.