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|  | **Perkins** IMPROVING CAREER AND TECHNICAL EDUCATION PROGRAMS OPERATED BY LOCAL EDUCATION AGENCIES |

**Perkins V Federal Program Spending Snapshot**

In addition to the requirements in Local Uses of Funds outlined in Section 135(b) of the Perkins V Act, all expenditures of Perkins funds must meet the basic cost principles outlined in the Office of Management and Budget (OMB) Circulars, the most current of which being 2 CFR 200 (the “Super circular”). The cost principles of 2 CFR Part 200 are the basic guidelines describing allowable ways federal funds may be spent. The expenditure of Perkins funding is further regulated by the Education Department General Administrative Regulations (EDGAR). The general principles 2 CFR Part 200 Subpart E – Cost Principles state that for costs to be allowable, they must be:

* **Reasonable:**consistent with prudent business practice and comparable current market value;
* **Necessary:**required to carry out the intent and purpose of the Perkins Act; and
* **Allocable:**chargeable or assignable in accordance with relative benefits received.
* **Legal under state and local law**;
* **Properly documented** (and accounted for on a consistent basis with generally accepted accounting principles);
* **Consistent with the provisions of the grant program** (The Strengthening Career and Technical Education for the 21st Century Act, Perkins V); and
* **Not used for cost-sharing or matching** any other grant agreement.

Perkins Grant Administration*:* Perkins allows up to 5% of LEA grant funds for direct and/or indirect Perkins administration costs.

Supplement vs Supplant: Perkins funds must be used to supplement (increase the level of services) and not supplant (replace) funds from nonfederal sources. State or local funds may not be decreased or diverted for other uses merely because of the availability of these funds. District and school personnel must maintain documentation that clearly demonstrates the supplementary nature of these funds (i.e., budget development documentation). The federal supplement, not supplant, provision is intended to ensure that services provided under Perkins are in addition to, and not in place of, local funds if Perkins funds were not available.

In determining whether a particular use of funds would violate the non-supplanting requirement, SEAs and LEAs should consider matters such as whether the cost involved is currently paid for using State or local funds or whether the cost involved is for an activity that is required by State or local law. The SEA or LEA may not decrease the amount of State or local funds used to pay the cost of an activity simply because of the availability of Perkins funds.

Below is a general overview of allowable and unallowable expenditures under Perkins

Note: This is not a complete list of allowable/unallowable costs under Perkins. The allowability of a particular expenditure should be determined by considering the CTE identified need and requirements of the Perkins V Act, and any pertinent Federal and State cost guidelines. All costs must be directly tied to the CTE local needs assessment and approved in the local Perkins application.

**Perkins Expenditures**

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| Allowable Uses of Grant Fund  | Unallowable Uses of Grant Funds |
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| * Administrative costs - Direct/Indirect costs (up to 5%)
* Audit costs in accordance with the Single Audit Act
* Career and college readiness activities and materials
* Career guidance and counseling
* Contracted services
* CTE concurrent or dual enrollment costs
* CTSO advisor costs
* CTSO costs approved in current year application
* Curriculum development
* Displays, demonstrations, and exhibits of CTE coursework
* Distance/Remote Learning curriculums
* Equipment for approved CTE instruction
* Equipment/Technology to align programs to National/State

 standards* Equipment/Technology needed for distance/remote learning
* Extended learning opportunities tied to CTE
* Instructional materials and supplies
* Instructor travel costs approved in current year Perkins plan
* Marketing and outreach activities for CTE (not for school)
* Meetings and conferences
* Position/School Dues/Memberships/Subscriptions
* Professional development costs
* Program evaluation
* Program modification for special populations
* Program modification for distance/remote learning
* Rental equipment
* Salaries/Stipends for career/academic counselors
* Salaries/Stipends for instructors (3-year limit)
* Salaries/Stipends for support staff
* Software Licenses
* Stipends
* Substitute teachers – when approved in current year application
* Technical skill assessments (including web-based)
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 | * Advertising and public relations to solely promote the LEA
* Alcoholic beverages
* Alumni/ae activities
* Audits other than the A-133 Single Audit
* Bad debts (losses from uncollectible accounts)
* Child care for non CTE enrolled students
* Commencement and convocation costs
* Conference travel unrelated to CTE program improvement
* Construction, renovation, and/or remodeling of facilities
* Contingency or “petty cash” funds
* Contributions and donations
* Copyrights/patents
* CTSO costs for items retained by an individual or social activities
* Entertainment
* Equipment and supplies for building maintenance
* Excessive installation costs for Perkins purchased equipment
* Expenditures for CTE prior to the middle grades
* Expenditures for non-approved CTE programs
* Expenditures that supplant
* Fines and penalties
* Food/drink
* Fundraising, raffles, door prizes, gifts, and awards
* Gifts, door prizes, etc.
* Goods or services for personal use
* Individual Dues/Memberships/Subscriptions
* Insurance/Self-Insurance
* Interest and other financial costs
* Items retained by student
* Lobbying and other political activities
* Maintenance contracts or agreements
* Monetary awards
* Promotional materials (t-shirts, pens, cups, key chains, book bags)
* Purchase or construction of buildings/facilities
* Remedial courses (non-credit bearing – does not include tutoring)
* Scholarships paid directly to students
* Social events, recreation, entertainment, non-educational trips, etc.
* Student expenses/direct assistance to students (unless approved in current year application for special population students)
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