

## General Guidance for Perkins V Local Uses of Funds

All local consortium Perkins V expenditure request approvals must comply with all the legislative rules attached to those funds. For Perkins V this includes the local uses of funds outlined in the Act as well as the general requirements for grant management of federal funds. Districts and colleges must adhere to the required uses of funds (Section 135 Local Uses of Funds) when making a budget request. As you evaluate each of your Perkins V budget requests, review them through the “risk assessment” lens of the 5 areas below:

### **#1 Supplanting**

Federal funds cannot be used to pay for services, staff, programs or materials that have previously been paid for with state or local funds. Always consider prior sources of funding-when a local district or college reduces local funds and replaces them with federal funds. If a program, personnel or activity cost was funded with nonfederal funds in a prior year, you may not use Perkins V funds for that expense. If you do, this is supplanting.

#### **Examples:**

- The district provides common classroom technologies (i.e., laptop, projector, SmartBoard, etc.) to non-CTE teachers but want to use Perkins funds to provide these assets for CTE classrooms. This is supplanting.
- The college has paid for administrative personnel from the general operating budget in the past, but the current request is to move part of that salary to Perkins. Without evidence of changes in duties including a reduction in general duties to accommodate the new Perkins work, this is supplanting.

### **#2 Consumable**

Consumable supplies maintain a CTE program instead of improving it. Perkins funds are intended to make transformational change and improvement to the CTE program.

#### **Examples:**

- Supplies that are ‘used up’ such as ink, toner, printer cartridges, paper, food, health science first aid kit supplies/gloves, lumber, welding wire, etc. (Note:-secondary may want to consider including these items as part of their reported CTE Revenue/Levy).
- Items that are given to a student, not staying with the program as a resource for other students. This is not allowed.

### **#3 Direct Individual Benefit**

Perkins funding supports CTE programs, not select individuals. If the budget request supports only select individuals, this is not allowable.

#### **Examples:**

- Awards, recognitions, scholarships, tuition, memberships, etc., directly benefit only certain individuals and therefore are not allowed.
- Purchasing uniforms, equipment, or resources that become property of students is not allowed.

## **#4 Capital Improvement**

It is not allowable to spend Perkins funds on structural changes, constructing buildings, or for capital improvements. Keep in mind that nothing purchased with Perkins funds belongs to the local school district or college. If a district or college closes a program(s), all Perkins purchases must be transferred to other approved CTE programs. How would you transfer upgraded wiring or a wall that has been moved?

### **Examples:**

- A district wants to upgrade to a commercial-grade kitchen and the new equipment will require increased electrical access and load capacities. Perkins funds cannot pay for the improvement of infrastructure such as electrical, moving of walls, installing plumbing, etc.
- Changes such as rewiring a lab or widening a doorway to accommodate new equipment purchases for a CTE program would not be acceptable uses of funds. These are seen as capital improvements a college would make to support the CTE program upgrades.

## **#5 Weak or Absent Connections**

CTE 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.

### **Examples:**

- Requesting to attend professional development that is remotely connected to CTE or an industry, but is not directly aligned to the state or local Perkins plan.
- AV/Video production program wants to buy video cameras and proposes buying less expensive cameras so that all students can use one in class. Industry professionals are not using similar equipment. They are using professional-quality DSLR camera/video cameras with professional grade accessories.

Perkins V has a focus on program alignment to meet industry needs.

What industries does your CLNA identify as high-skill, high-wage or in-demand for your region?

What has your consortium written in the plan to address size, scope and quality?

How are the requests connected to (or support) your Programs of Study(s),and local plan?

**Overarching considerations- Is the proposed expenditure necessary, reasonable, allocable?**

## SECTION 135: LOCAL USES OF FUNDS

Each local consortium receiving funds under Perkins V must use the majority of the funds “to develop, coordinate, implement, or improve CTE programs to meet the needs identified in the comprehensive needs assessment.” Not more than 5 percent of the award may be used for administrative purposes. There must be a clear linkage between the needs assessment and how funds are spent. In addition to being justified by the needs assessment, funds must be used to support CTE 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 CTE program, in making informed plans and decisions about future education and career opportunities.
2. Provide **professional development** for teachers, faculty, school leaders, administrators, specialized instructional support personnel, career guidance and academic counselors, or paraprofessionals.
3. Provide within CTE the **skills** necessary to pursue career in high-skill, high-wage, or in-demand industry sectors or occupations.
4. Support **integration of academic skills** into CTE programs and programs of study.
5. Plan and carry out elements that support the implementation of CTE programs and programs of study and that result in **increasing student achievement** on performance indicators.
6. **Develop and implement evaluations** of the activities carried out with funds under this part, including evaluations necessary to complete the local needs assessment and the local report.

Local consortium can pool resources with other consortia to support the implementation of programs of study through the professional development activities in the above listing.

**Refer to Section 135 of the Act as much more detailed elements are provided that require your attention as you make fiscal decisions.**

## UNALLOWABLE USES OF FUNDS

|   |  |
|---|--|
| Alcoholic beverages   | Fund raising   |
| Alumni/ae activities  | Gifts  |
| Career and Technical Education instruction in approved postsecondary programs, shops, labs and internships.                     | Goods or services for personal/individual use  |
| Capital assets (non-instructional equipment, building, land and expenditures to make improvements to capital assets)            | Insurance  |
| Child Care  | Interest   |
| Commencement and convocation costs  | Items retained by students (supplies, clothing, calculators, etc.)                       |
| Construction, renovation, and/or remodeling of facilities   | Monetary awards  |
| Contributions and donations (cash, property, services)  | Non-instructional furniture  |
| Entertainment, amusement and social activities (food may be viewed as entertainment)  | Postsecondary customized training courses and programs                                   |
| Expenditures for non-approved CTE programs (may require consultation with state staff)  | Political activities such as contributions, fund raising or lobbying                     |
| Expenditures that supplant  | Promotional materials (T-shirts, pens, cups, keychains, book bags, etc.)                 |
| Expenditures for career education/exploration prior to the 5 <sup>th</sup> grade  | Remedial/developmental courses- both secondary and postsecondary                         |
| Fines and penalties   | Scholarships   |
| Food (There is a high burden of proof to show that food is “necessary”. Follow federal, MDE and/or Minnesota State guidelines). | Student expenses/direct assistance to students (tuition, tools, fees, car mileage, etc.) |
|   | Student stipends   |
|   | Vehicles unless used directly for CTE instruction  |

Disclaimer: This document is intended to provide examples to assist consortia leaders when making funding decisions. Other uses of funds not listed here may be determined to be unallowable upon further research of federal documentation or consultation with state leadership.

Source Documents: Strengthening Career and Technical Education in the 21<sup>st</sup> Century Act of 2018

The Administrator’s Handbook on EDGAR, 4<sup>th</sup> Edition