



Office of the Commissioner of Higher Education  
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## General Guidance for Perkins V Local Uses of Funds

All Perkins V expenditures must comply with all the legislative rules attached to those funds. This includes the local uses of funds outlined in the [Strengthening Career and Technical Education for the 21st Century Act](#) as well as the Uniform Grant Guidance requirements for grant management of federal funds. LEA's must adhere to the required uses of funds (Section 135 of the law), and funds must be used to **develop, coordinate, implement, and improve** career and technical education programs.

When utilizing Perkins funding expenditures, these expectations must be met:

1. The funding is for the purpose of development, implementation, refinement or support of an approved CTE program or Program of Study.
2. Funding is allocable according to the Perkins V Act.
3. There is no supplanting. You cannot use federal funds to pay for series, staff, programs, or materials that would otherwise be paid for with state or local funds. In other words, the expenditure was not previously funded with local funding.
4. The expenditure is reasonable and necessary for the plan's execution.

Funds available under Section 135 of Perkins V shall be used to support CTE programs that are of sufficient size, scope, and quality to be effective and that:

- Provide career exploration and career development activities
- Provide professional development for CTE professionals
- Provide within CTE the skills necessary to pursue careers in high-skill, high-wage, or in-demand industry sectors or occupations
- Support integration of academic skills into CTE programs
- Plan and carry out elements that support the implementation of CTE programs and that result in increasing student achievement of the local levels of performance established under section 113
- Develop and implement evaluations of the activities carried out with funds under Section 135

Refer to Perkins V Section 135 for a complete description of requirements for uses of funds at the local level.

## Special Populations

Perkins V makes revisions and expansions regarding special populations. This allows for an increase in employment opportunities for populations who are chronically unemployed, including individuals pursuing nontraditional occupations by gender, individuals with disabilities, individuals from economically disadvantaged families, out of workforce individuals, youth who are in, or have aged out of, the foster care system, and homeless individuals. Allowances *may include* supporting the costs associated with fees, transportation, childcare, or mobility challenges for special populations. Consult with OCHE on exceptional expenses for special populations.

## Algorithm for Making Local Funding Decisions

When determining whether or not the use of federal Perkins V grant funds is appropriate, LEA leadership should consider the following questions:

1. Does this use of funds constitute “supplanting” of other funding sources? For example, if an individual’s salary was funded through state funds previously, federal Perkins V funding cannot be used to fund the salary now or in the future unless the job duties have changed and have been documented in a revised position description. The position description must specify which duties are funded with Perkins grant funds and what percentage of the overall duties are funded by federal Perkins grant funds.
2. Is the expense reasonable? Does it meet the intent of size, scope, and quality as specified in the Perkins V law and in the Montana state plan?
3. Is the expense necessary? For example, what are the consequences if Perkins funds are not used?
4. Is the expense allocable? For example, does the expenditure comply with one of the six required uses of funds specified in Section 135(b) of Perkins V and with the Education Department General Administrative Regulations (EDGAR)? Be prepared to identify and describe the following specific considerations as they apply to the expenditure:
  - a. Which Perkins V required use of funds under Section 135(b) is being addressed?
  - b. How does the expenditure support the LEA’s Programs of Study?
  - c. How does the expenditure support the recruitment, retention, and training of CTE professionals?
  - d. How does the expenditure support special populations as identified in Perkins V?
5. Does your comprehensive local needs assessment support the expenditure?
6. Is the focus of the expenditure on systems alignment and program improvement?

## Size, Scope, and Quality

Section 135 of Perkins V states, “Funds made available to eligible recipients ... shall be used to support CTE programs that are of sufficient size, scope, and quality ....” The Perkins V Act does not define size, scope and quality, but instead leaves it to individual states to interpret what that means. Montana has defined Size, Scope, and Quality as follows:

### Criteria for Size

Postsecondary degree/career programs approved by the Montana Board of Regents or specifically approved by the State are eligible for Perkins funding.

### Criteria for Scope

Postsecondary programs must include rigorous, coherent CTE content aligned with challenging academic standards culminating in a certificate or degree. Links must exist between the secondary and postsecondary programs of study.

All Perkins funded programs must be aligned with business and industry as validated by a local business advisory committee.

### Criteria for Quality

Eligible postsecondary recipients offer students the opportunity to participate in programs of study that lead to two of the following three: high-skill, high-wage and/or in-demand occupations. Postsecondary programs must include rigorous, coherent CTE content aligned with challenging academic standards.

### Additional Guidance

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](#)).

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.

### Allowable and Unallowable Uses of Funds

The following chart lists budget items commonly found in Perkins grants. The list is not exhaustive and includes mostly those items that have surfaced over time and that have prompted additional discussion or guidance. Additional guidance can be found in UGG’s 2.C.F.R 200 Specific Cost Items. Costs that are generally permissible under UGG may be prohibited under the specific terms of Perkins V. If an item is unallowable for any of these reasons, federal funds cannot be used to purchase it.

**Symbol Key**



- Allowable



- Allowable, but only under certain circumstances



- Not Allowable

	Budget Item	Special Requirements or Additional Information
<input checked="" type="checkbox"/>	<p><b>ADMINISTRATION:</b> Administrative expenses are those expenses used for running the grant, not expenses related to providing direct grant services to students. Indirect costs are always administrative expenses.</p>	<p><input checked="" type="checkbox"/> May be used for indirect and direct administrative costs in a Perkins grant when, taken together, the amount does not exceed 5% of the total grant. The administrative cost categories (functions that should be considered as a direct administrative cost in calculating the 5% ceiling) are:</p> <ul style="list-style-type: none"> <li>• Developing the local application.</li> <li>• Supervising local application activities.</li> <li>• Supervising Perkins-funded staff.</li> <li>• Ensuring compliance with applicable Federal laws.</li> <li>• Supporting and developing local data systems for Perkins (this does not include data collection and analysis).</li> <li>• Professional development for Perkins administrators</li> </ul>
<input checked="" type="checkbox"/>	<p><b>AUDIT SERVICES</b></p>	<p><input checked="" type="checkbox"/> May not be used for audit services expenditures.</p>
<input type="checkbox"/>	<p><b>CAREER TECH STUDENT ORGANIZATIONS:</b> Defined as organizations that serve students enrolled in career and technical education programs by engaging students in a variety of career development and leadership activities. The student organizations are assisted with Perkins V funds especially with respect to increasing the participation and success of students who are members of special populations.</p>	<p><input checked="" type="checkbox"/> May be used for fees or dues for instructional CTE Memberships.</p> <p><input checked="" type="checkbox"/> May not be used to transport students for career/vocational technical education student organization events.</p> <p><input checked="" type="checkbox"/> May not be used for lodging, feeding, conveying, or furnishing transportation to conventions.</p> <p><input checked="" type="checkbox"/> May not be used to purchase of supplies, jackets, and other effects for students' personal ownership.</p> <p><input checked="" type="checkbox"/> May not be used for cost of non-instructional activities such as athletic, social, or recreational events.</p> <p><input checked="" type="checkbox"/> May not be used to purchase food for banquets, award ceremonies, goodwill gestures, etc.</p>

<input type="checkbox"/>	<b>CERTIFICATIONS</b>	<input checked="" type="checkbox"/> May not be used to pay for an individual certification exam or test (e.g., Microsoft Office Specialist Certification licensing, OSHA Construction Safety Certification).  <input checked="" type="checkbox"/> May be used for certifications for students within a special population category with prior approval.
<input checked="" type="checkbox"/>	<b>COMMENCEMENT AND CONVOCATION COSTS</b>	<input checked="" type="checkbox"/> May not be used for costs for commencement and convocation.
<input type="checkbox"/>	<b>COMPENSATION – FRINGE BENEFITS</b>	<input checked="" type="checkbox"/> May be used for fringe benefits as allowances and services provided by employers to their employees as compensation in addition to regular salaries, wages, and stipends.  <input checked="" type="checkbox"/> May not be used as prepaid debit and gift cards.
<input type="checkbox"/>	<b>COMPUTERS, TABLETS AND MOBILE DEVICES</b>	<input type="checkbox"/> Computers, tablets, and mobile devices are seldom related to specific industry skills. Hardware items should typically be purchased by the district/college and using Perkins could be considered supplanting.  <input checked="" type="checkbox"/> Standard-issue computers/tablets, hardware primarily used for teacher and student instructional tasks (i.e., laptops, projectors, smartboards) that are not tied to industry-standard competencies are not allowed.  <input checked="" type="checkbox"/> Industry-grade hardware that is not typical standard equipment purchased by the district or college may be allowable.
<input type="checkbox"/>	<b>CONFERENCES (SPONSORED OR HOSTED BY GRANTEE)</b>	<input checked="" type="checkbox"/> May be used for costs paid by the school as a sponsor or host may include the following: <ul style="list-style-type: none"> <li>• Rental of facilities</li> <li>• Speakers’ fees</li> <li>• Local transportation</li> <li>• Other items incidental to such conferences <b>unless</b> restricted by the grant</li> </ul> <input checked="" type="checkbox"/> May not be used as payments for food and/or beverages.
<input checked="" type="checkbox"/>	<b>ENTERTAINMENT</b>	May not be used for costs of entertainment, including amusement, diversion and social activities, and any associated costs.

<input type="checkbox"/>	<p><b>EQUIPMENT, INCLUDING GENERAL PURPOSE EQUIPMENT AND OTHER CAPITAL EXPENDITURES:</b> Defined as tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of \$10,000 per unit. An item with an acquisition cost of less than \$10,000 per unit is considered <b>non-capitalized equipment</b>, also having a useful life of more than one year.</p> <p>*Equipment purchased with federal funds, including Perkins V funds must have:</p> <ul style="list-style-type: none"> <li>• property records, including acquisition date, cost, source, percent of federal funds used to purchase the item, location, use and condition of the equipment and ultimate disposition.</li> <li>• adequate safeguards to prevent loss, damage, or theft.</li> <li>• adequate maintenance procedures.</li> </ul>	<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> May be used for exemplary instruction</li> <li><input checked="" type="checkbox"/> May be used for required equipment for start-up of a program.</li> <li><input checked="" type="checkbox"/> May not be used for non-commercial/household grade equipment.</li> <li><input checked="" type="checkbox"/> May not be used for capital expenditures for general purpose equipment, buildings, and land.</li> <li><input checked="" type="checkbox"/> May not be used capital expenditures for improvements to land, buildings, or equipment that materially increase their value or useful life.</li> </ul>
<input type="checkbox"/>	<p><b>FEES</b></p>	<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> May be used for instructional CTE Memberships.</li> <li><input checked="" type="checkbox"/> May not be used for an individual student such as dues, registration fees, or license/certification fees. This includes but is not limited to career/vocational technical education student organization dues, transportation, lodging, registration, and uniforms for the individual student.</li> <li><input type="checkbox"/> Some of the above examples may be used on a case-by-case basis if explicitly serving students from special populations.</li> </ul>
<input type="checkbox"/>	<p><b>FIELD TRIPS:</b> Defined as off-site educational opportunity offered by a LEAs to enrich the educational experience of students and meet educational goals. (<a href="#">603 CMR 27.00</a>)</p>	<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> May be used for costs of field trips for educational purposes that address specific CTE courses and /or program related outcomes. Field trips must be open to all students participating in the CTE course or program.</li> <li><input checked="" type="checkbox"/> May not be used for the cost of field trips during which more than 25 percent of the time is spent at the location is used for entertainment or recreation of field trip participants.</li> </ul>
<input type="checkbox"/>	<p><b>FOOD</b></p>	<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Never allowable.</li> </ul>

<input type="checkbox"/>	<b>INSTALLATION FEES</b>	<p><input checked="" type="checkbox"/> Expenses for installing equipment or materials, including wiring, is not allowable.</p> <p><input checked="" type="checkbox"/> May be used for equipment requiring professional installation/set up and training if needed to ensure warranty remains valid.</p>
<input type="checkbox"/>	<p><b>MAINTENANCE AND REPAIR COSTS:</b> Defined as upkeep equipment that neither adds to the permanent value of the property nor appreciably prolongs its intended life but keeps it in an efficient operating condition.  <a href="#">(2 CFR Part 200, §200.452)</a></p>	<p><input checked="" type="checkbox"/> May be used for costs incurred for necessary maintenance, repair, or upkeep of equipment which neither add to the permanent value of the property nor appreciably prolong its intended life but keep it in an efficient operating condition. Costs related to maintenance and repairs may not be excessive.</p> <p><input checked="" type="checkbox"/> May not be used for costs incurred for improvements that add to the permanent value of the buildings and equipment or appreciably prolong their intended life. These must be treated as capital expenditures.</p>
<input type="checkbox"/>	<b>MARKETING/PROMOTIONAL EXPENSES</b>	<p><input checked="" type="checkbox"/> May be used for costs for specific purposes necessary to meet the requirements of Perkins as outlined in the Local application. Example: awareness campaign for student career exploration event.</p> <p><input checked="" type="checkbox"/> Promotional materials are not allowable. Examples include cups/glasses, banners, folders, bags, key chains, gifts, notepads, pens, t-shirts. Costs for advertising designed solely to promote the LEA or its programs are not allowable.</p>
<input type="checkbox"/>	<b>MATERIALS AND NON-CAPITALIZED EQUIPMENT</b>	<p><input checked="" type="checkbox"/> May be used for costs for materials, non-consumable supplies, and fabricated parts necessary to carry out the grant. Materials and supplies purchased must represent the most current and relevant technology. Must have a useful life of more than one year.</p> <p><input checked="" type="checkbox"/> May not be used for costs of consumable, routine and general office and program supplies such as pens, paper, workbooks, laptops, tablets, sandpaper, nails, and other items that are consumed or worn out. Exceptions for consumable supplies would be those supplies used specifically for career and technical education exploration events (i.e. metal for a Women in Welding event that attracts potential gender non-traditional students to explore a career option). For specific guidance on computers and other hardware, please refer to the Computers, Tablets and Mobile Devices section.</p>

<input type="checkbox"/>	<b>MEMBERSHIP, SUBSCRIPTIONS AND PROFESSIONAL ACTIVITY COSTS</b>	<input checked="" type="checkbox"/> May be used for CTE-related memberships in business, technical and professional organizations. CTE-related organization subscriptions to business, professional and technical periodicals. Memberships for an LEA to participate in a professional organization may be allowable, given that supplanting is not occurring. <input checked="" type="checkbox"/> May not be used for individual memberships. <input checked="" type="checkbox"/> May not be used for memberships in country club or social or dining clubs. <input checked="" type="checkbox"/> May not be used for costs in organizations whose primary purpose is lobbying. <input checked="" type="checkbox"/> May not be used for memberships in civic or community organizations.
<input type="checkbox"/>	<b>PROFESSIONAL DEVELOPMENT TRAINING OR COURSES:</b> Professional development course descriptions may be requested as part of the determination as to whether the proposed expenditure is allowable. The final determination as to whether the proposed cost is allowable is at the discretion of OCHE.	<input checked="" type="checkbox"/> May be used for improving the initial preparation and professional development of career and technical education teachers, faculty, administrators, and counselors: for example, a course or Professional Development training in which deliverables and follow up outcome activities benefit (a) CTE students and (b) CTE programs would be allowable even though it might incidentally provide the educator with credits towards certification or licensing. <input checked="" type="checkbox"/> May not be used for costs of a course or training in which outcomes only benefit the individual teacher.  Example of an unallowable cost: A plumbing teacher, which has no plans or has purchased no equipment to upgrade its plumbing program with new technologies, would not be funded to receive course or PD training in new plumbing technologies, as that would only benefit the individual teacher and not the program.
<input checked="" type="checkbox"/>	<b>PROFESSIONAL SERVICES COSTS</b>	<input checked="" type="checkbox"/> May be used for costs of educational professional and consultant services by persons who are members of a particular profession or possess a special skill and who are not employees of the school.
<input checked="" type="checkbox"/>	<b>PROFESSIONAL STAFF</b>	<input checked="" type="checkbox"/> May be used for costs of: <ul style="list-style-type: none"> <li>• CTE instructor positions</li> <li>• Technical instructional aide positions</li> <li>• Career counselor positions</li> <li>• Other instructional or professional staff providing services in a Perkins program</li> </ul> <input checked="" type="checkbox"/> May be used for staff funded partially with grant funds or from multiple grants when the employee divides his/her time between more than one federally supported grant program, if records of the time distribution between grant projects are kept current.

<input type="checkbox"/>	<b>PUBLICATIONS AND PRINTING</b>	<input checked="" type="checkbox"/> May be used only for publication costs for electronic and print media that are necessary to carry out the grant, including distribution and general handling. Media cannot be used for recruiting to an individual college.  <input checked="" type="checkbox"/> May not be used for costs not specifically identified with the grant.
<input type="checkbox"/>	<b>STIPENDS</b>	<input checked="" type="checkbox"/> Stipends for any staff employed by the recipient LEA to perform tasks outside their work hours and normal duties that support a Perkins program.  <input type="checkbox"/> Stipends for staff to attend meetings and/or professional development events are not allowable unless there are follow-up activities and/or deliverables.  <input type="checkbox"/> Stipends may be allowable for students to perform work directly related to career and technical education program improvement in the school district/public two-year college, like any other qualified person to the extent allowable by state and federal employment laws and provided there are no supplanting issues. An example of supplanting would be a student replacing a staff person in the placement office who was paid with local funds to analyze graduate follow-up data is not allowable. <ul style="list-style-type: none"> <li>• Example of an allowable cost: For a student redesigning the school’s career and technical education program website during the summer under the supervision of appropriate staff, in order to improve accessibility for students who may be sight impaired, may be allowable.</li> <li>• Example of an allowable cost: For a college student to peer tutor other students in career and technical education programs, under the supervision of appropriate staff, that would result in career and technical education program improvement, via the tutor identifying common student needs that may be translated into program improvement, resulting in improved core indicator of performance by the public two-year college may be allowable.</li> </ul> <p>The selection of students for work must comply with applicable school district/public two-year college policies and include provisions for equal opportunity.</p> <input checked="" type="checkbox"/> May not be used for students if the sole purpose is paying students to learn, such as would be the case if one were to provide a stipend to a student to perform a hospital internship or provide a stipend to a student to work for a company on cooperative education.

<input type="checkbox"/>	<b>TRAINING AND EDUCATION COSTS:</b> Defined as professional development programs to secondary and postsecondary teachers, faculty, administrators, and career guidance and academic counselors involved in integrated CTE programs.	<input checked="" type="checkbox"/> May be used for training and education provided for employee development. <input checked="" type="checkbox"/> May not be used for certification or examination fees of individual secondary and postsecondary teachers, faculty, administrators, and career guidance and academic counselors.
<input type="checkbox"/>	<b>TRANSPORTATION OF STUDENTS</b>	<input checked="" type="checkbox"/> May be used to transport students enrolled in career/vocational technical education programs on field trips including college/registered apprenticeship program visits. <input checked="" type="checkbox"/> May not be used to directly pay an individual student enrolled in a career/vocational technical education program to take a bus, plane, etc. to a cooperative education site, internship site, college, and career/vocational technical education student organization event, etc. <input checked="" type="checkbox"/> May not be used to transport students for career/vocational technical education student organization events.
<input type="checkbox"/>	<b>TRAVEL COSTS</b>	<input checked="" type="checkbox"/> May be used for local travel for conferences, professional development, and field trips. <input type="checkbox"/> Out-of-state travel. Prepare to respond to the following questions: <ul style="list-style-type: none"> <li>• What are the total costs of the conference and travel?</li> <li>• Are there similar trainings or Professional Development available in Montana and therefore at less cost?</li> <li>• How are these additional costs justified?</li> </ul> <input checked="" type="checkbox"/> International travel is not allowable.
<input checked="" type="checkbox"/>	<b>TUITION COSTS FOR STUDENTS</b>	<input checked="" type="checkbox"/> Not allowable.
<input type="checkbox"/>	<b>VEHICLE LEASE/PURCHASE AND LEASE TO PURCHASE:</b>	<input checked="" type="checkbox"/> May be used to purchase a vehicle if the cost is reasonable and necessary and will only be used for Perkins-related activities. <input checked="" type="checkbox"/> May not be purchased with grant funds for the primary purpose of transporting students/staff to cooperative education* sites. <input checked="" type="checkbox"/> May not be used for the primary purpose of transporting students/staff to career/vocational technical education student organization events. <input checked="" type="checkbox"/> May not be used for non-career/vocational technical education activities such as transportation of sport teams.