



Common Perkins Allowability Issues

The following document provides guidance on the usage of federal Perkins funds for Indiana Area CTE districts. Questions can be directed to LTucker@che.in.gov.

Items purchased using Perkins funds must comply with applicable federal and state laws and policies. Prior to purchasing an item or service using Perkins funds, please keep the following common allowability issues in mind:

Supplanting

The Problem: The district is required to provide equal support to CTE and non-CTE classes.

Examples:

- A district pays for ELA textbooks yet wants Perkins funds to fund CTE textbooks. This is supplanting.
- The district sends non-CTE teachers to a conference but wants to use Perkins funds to send the CTE teachers to the same conference. This is supplanting.
- The district provides a variety of common classroom technologies (like a teacher laptop, projector, student devices, etc.) to non-CTE teachers but is hoping to use Perkins funds to provide these for the CTE classrooms. This is supplanting.

The Filter: Does or has the district/state provided this item or something very similar to non-CTE teachers/classrooms? If so, that is supplanting. Any request that uses Perkins funds to supplant local/state funds is not allowable.

General Purpose Materials

The Problem: Perkins allows funds to be used for “appropriate equipment, technology, 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.”

Examples:

- Supplies that are ‘general purpose’. Although great learning certainly happens using supplies that are ‘general purpose’, this is not an allowable uses of Perkins funds based on Federal law. Equipment and materials must be program-specific and aligned with business and industry needs.
 - *Common unallowable examples include: poster board, sharpies, Post-it notes, binders, glue-sticks, dry erase markers, hand sanitizer, stickers, classroom decorations, white-out.*



- Supplies that are used to create items that are then sold (even if for a profit to benefit the CTE program) is not allowed.
- General purpose furniture like chairs, folding tables, stools, desks and shelving. These items are not specific to a CTE program and therefore unallowable.

The Filter: Would you find this item in an office supply closet? Could the materials be used in every program? If so, these items would be considered general purpose and are unallowable. When requesting equipment and materials with Perkins funds, budget how your program will fund general-purpose materials *with local resources*.

Direct Individual Benefit to Select Students

The Problem: Picking and choosing what students within the CTE program get financial support that directly benefits him/her is not allowable. Perkins supports CTE programs, not select individuals. Additionally, the law requires equal access to CTE programming for all students participating in CTE.

Examples:

- Your Perkins funds are finite, so you decide to purchase 10 ServSafe certifications and offer them to the students you feel need it most. Picking and selecting individual students who will directly benefit from Perkins funds is not allowable.

IF.... you pay for and provide the opportunity for all students in the class/program to complete the certification

THEN... the certifications are allowable because it is now a function of the CTE curriculum/program instead of only for select individuals. *Reminder: Only industry certifications not on the Graduation Pathways Eligible list (such as ServSafe in this example) can be paid for with Perkins funding. Grad Pathways eligible certifications are reimbursed via state funds.*

- Purchasing uniforms, equipment or supplies that become property of the student is not allowed.
- Purchasing supplies or equipment which will be made into something sold by or that becomes the property of the student. Either of these scenarios directly benefits the student on an individual level and therefore is not allowed.

Awards, recognitions, scholarships, tuition, memberships, etc. directly benefit only certain individuals and therefore are not allowed.

The Filter: Does the expense *support only select individuals*? This is not allowed.

Note: *Based on Perkins V law, funds may be used to support special population students which would otherwise be unallowable in very specific situations. If an entity has identified a need unique to special population students, please contact our office to discuss whether the otherwise unallowable expense could be permissible based on Perkins V law and state policy.*



Capital Improvement

The Problem: Nothing purchased with Perkins funds belongs to the district. In the event that a district must close its CTE program(s)- all Perkins purchases must be and will be transferred to other approved CTE programs. Therefore, it is not allowable to spend Perkins funds on capital improvements including new buildings or making structural changes to existing buildings due to their lack of transferability.

Examples:

- A district wants to upgrade to a restaurant-grade commercial kitchen and the new equipment will require increased electrical access and load capacities. While this is a great idea to modernize the program, Perkins cannot pay for the improvement of infrastructure such as electrical, moving of walls, installing plumbing, etc.
- A career center wants to build a permanent lean-to greenhouse with a permanent foundation. Is the structure permanently attached to the building, with permanent footings or concrete flooring? If so, although we recognize the addition would strengthen the CTE program, due to its reliance on the district's building and permanent nature- it would be considered a capital improvement.

The Filter: Is everything being requested able to be transferred to another district's CTE program with reasonable effort and successfully relocated at another CTE program *without losing functionality*?

If so, consider the following: Will the request be used to make permanent changes to an existing structure **OR** will the existing property's overall value increase **OR** will the useful life of a structure be increased, **OR** will the existing building be adapted to have a new use? If any of these are 'yes' then the request risks being considered a capital improvement in the event of an audit. An easy test can be whether the item can be moved *and* retain its original functionality. If not, it's a capital improvement and not allowed.

Weak Industry Connection

The Problem: CTE is about career preparation through industry-driven programming and learning opportunities. The equipment, materials, tools and learning opportunities should function and be the same as what industry professionals use.

Examples:

- An Arts/AV program wants to buy video cameras and proposes buying \$150 cameras, so all students can use one at the same time. Industry professionals are not using \$150 cameras. They are using professional quality DSLR cameras/video cameras with professional grade accessories. The cheaper cameras do not prepare students with industry skills, therefore requesting high-quality DSLR camera set-ups are the best and only approvable choice.
- Requesting to attend professional development that is not directly aligned to CTE courses and



programming offered to students. Seek out industry training aligned to the CTE standards you teach. (see SEC 135(b)(2)(A-1))

- Items that are used for hobbies or crafting projects. While these may be enjoyable activities for students, the equipment is not used by professionals in high-wage, high-skill or high-demand occupations.

The Filter: What is the industry doing? Do that. If the program is tightly aligned to CTE standards and you're doing what industry is doing, you're on the right path. If in doubt, this is a great opportunity to connect with your advisory board or connect with a local industry partner.

