

Allowable Expenditures

Perkins funds may only be used to support programs that meet the needs identified in the comprehensive local needs assessment (CLNA) and which meet the State's definitions of size, scope, and quality (SSQ). In addition, expenditures must correlate to one of the usages outlined in Section 135 of Perkins V.

Perkins funds may be divided into the following categories:

- A. Administration – Costs that directly relate to the administration of the grant.
- B. Personnel – Salaries for employees.
- C. Fringe Benefits – Fringe benefits for employees.
- D. Travel – Costs related to employee travel for professional development and CTE-related activities
- E. Contractual Services – Costs related to contracts, recurring costs, stipends, agreements.
- F. Equipment – CTE program-specific equipment
- G. Materials – CTE program-specific materials and supplies

The following expenditures are allowable and allocable to the Perkins grant:

- Administrative and Indirect Costs (up to 5% of the total award)
- Communication Costs (publications and postage); see 2 CFR 200 regarding restrictions on advertising
- Compensation (Personnel / Fringe) for CTE-related Personnel (e.g., instructors for new programs)
- Contractual Services
- CTSO Advisor Costs (e.g., stipend, travel)
- CTSO Instructional Materials
- Curriculum Development
- Employee Travel for Professional Development or CTE Program-Specific Travel
- Equipment (specific to the related CTE program / program of study)
- Extended Learning Opportunities / Field Trips tied directly to CTE program coursework
- Industry-Recognized Certification Exams / Assessments; must be on Indiana's Promoted Industry Certifications list
- Instructional Materials and Supplies for new programs / programs of study
- Marketing and Outreach Activities as permitted in 2 CFR 200.421
- Meetings and Conferences (must adhere to guidance in USDOE Memos)
- Memberships and Subscriptions in business, professional, and technical groups / associations; membership must be for the position / LEA and not a specific person
- Professional Development
- Program Evaluation Costs
- Publication and Printing Costs (CTE-specific)
- Rental / Lease Costs associated with program-specific equipment
- Stipends
- Student Transportation Costs (group transportation only; associated with CTSO events, excursions, and extended-learning opportunities)
- Substitute Teachers (time and effort reporting required)

Supporting documentation must be provided for all expenditures. Receipts and invoices must be itemized.

Unallowable Expenditures

The following expenditures are unallowable and cannot be supported with Perkins funds:

- Advertising and public relations costs prohibited by 2 CFR 200.421
- Advisory Council costs (e.g., food, materials, travel)
- Alcoholic Beverages
- Alumni Activities
- Bad Debts
- Childcare expenses unless specifically outlined in Perkins V legislation
- Commencement / Convocation Costs
- Conference Travel unrelated to CTE program improvement
- Construction, Renovation, and/or Remodeling of Facilities
- Consumable Supplies to be made into products to be sold or to be used personally by students, teacher, or other persons
- Contingency Funds (e.g., petty cash)
- Contributions / Donations
- Copyrights / Patents
- CTSO Student Costs (e.g. membership dues, registration fees, travel expenses)
- Dues / Membership Fees for individuals
- Entertainment
- Equipment / Materials for building maintenance
- Equipment / Materials not used directly to teach skills to students
- Equipment solely for use by the teacher, administrator, or other staff members
- Excessive Installation Costs
- Expenditures that Supplant
- Fines and Penalties
- Food / Drink (except for per diem / meal expenses when traveling)
- Fundraising
- General Purpose Equipment / Materials
- Gifts / Door Prizes / Giveaway Items
- Goods or Services for Personal Use
- Insurance other than fringe benefits for employees
- Interest and Other Financial Costs
- Items Retained by Students
- Lobbying and other Political Activities
- Maintenance Contracts / Agreements
- Monetary Awards / Scholarships
- Non-Instructional Furniture / General Purpose or Standard Classroom Furniture
- Payments to Students
- Promotional Materials
- Purchase or Lease of passenger vehicles
- Purchase or Construction of buildings / facilities, including permanent modifications
- Remedial Courses
- Student Expenses / Direct Student Assistance; support may be provided to special populations students (as defined by Perkins V legislation) participating in CTE

This list is not exhaustive; please contact the Office of CTE with specific questions regarding allowability and allocability prior to expending funds.

Travel Expenditures

2 CFR 200.474 provides the guidelines for costs related to travel.

- (a) General. 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.

The Office of CTE permits each eligible recipient to utilize their local written travel policy. If the eligible recipient does not have a formal, written travel policy, then the recipient must defer to the State of Indiana's travel policies.

Expenditures related to official business travel include:

- lodging
- mileage
- rental vehicle
- parking / tolls
- per diem / meals (for the employee only)
- air fare
- taxi fare
- registration fees (charged to Travel or Contractual Services)

Unallowable Travel Expenses:

- foreign travel
- first-class air fare
- tips or gratuities
- alcoholic beverages
- entertainment, recreational, or social events
- any expenses for other persons
- mileage, vehicle rental, or fares not associated with official business (ex. after-hours cab fare)
- personal accident insurance or personal effects coverage.

Travel costs must be properly documented to be reimbursable. Receipts and vendor documentation must be itemized. Meal receipts must be itemized and for the employee only; alcoholic beverages must not be included. Travel costs not supported by appropriate documentation are not allowable grant charges and are subject to disallowance by State and Federal auditors / monitors.

Equipment & Materials Expenditures

The IDOE's Object Code Crosswalk identifies several object codes that typically relate to Perkins expenditures:

- 611 – Operational Supplies
- 630 – Textbooks
- 640 – Library Books (includes CTE-specific reference books)
- 655 – Supplies – Technology Related
- 735 – Equipment [...] over the LEA's Capitalization Threshold; equipment purchases having a useful life of more than one year and exceeding the lesser of the LEA's capitalization policy or \$5,000.
- 741 – Technology-Related Hardware
- 742 – Technology Software

2 CFR 200.439 provides guidance for equipment and other capital expenditures.

§200.439(b)(1) – Capital expenditures for general purpose equipment, buildings, and land are unallowable.

§200.439(b)(2) – Capital expenditures for special purpose equipment are allowable, provided that items with a unit cost of \$5,000 or more have the prior written approval of the pass-through entity.

- Complete the Perkins Equipment / Asset Request form prior to purchasing equipment with a per-unit cost of \$5,000 or more.

§200.439(b)(3) – Capital expenditures for improvements to land, buildings, or equipment which materially increase their value or useful life are unallowable.

§200.33 Equipment:

Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000.

The State of Indiana defines "equipment" as any article, except small tools, which has an extended period of service expectancy (minimum of 12 months).

Examples: Sheet metal for a welding class would be billed to Materials (611), but an arc/stick welder would be Equipment (730). A spatula for a culinary arts program would be a small tool and can be billed to Materials (611), but a KitchenAid mixer would be considered Equipment (730).

Perkins Allowable Equipment Expenditures:

- equipment for approved CTE instruction
- specific and/or unique to CTE

Perkins Unallowable Equipment Expenditures:

- equipment for building maintenance
- equipment not used directly to teach skills to students
- equipment solely for use by the teacher, administrator, or other staff members
- equipment for non-approved CTE programs
- standard classroom furniture and equipment