

## ALLOWABLE AND UNALLOWABLE PERKINS EXPENDITURES

This list has been created to assist community colleges in the implementation of the Carl D. Perkins Career and Technical Education Act of 2006 (Perkins) grant. The allowable and unallowable CTE grant expenditures detailed below encompass guidance from both the Perkins Act and the Education Department General Administrative Regulations (EDGAR). Please note that this list is not all-inclusive, and if any questions should arise, it is appropriate to seek guidance and approval from Illinois Community College Board staff.

### Allowable Expenditures

- Administrative costs
- Advisory committees
  - In virtually all cases, using grant funds to pay for food and beverages for receptions and “networking” sessions is not justified because participation in such activities is rarely necessary to achieve the purpose of the committee
- Audit costs in accordance with the Single Audit Act (2 CFR 200 Subpart F)
- Bonding costs
- Career and Technical Student Organizations (CTSO): *advisor travel, supplies, equipment, and instructional activities where CTSOs are an integral part of a CTE program and will be made available to all students in the program regardless of membership in said CTSO*
- Career guidance and counseling
- Communication costs (*publications, postage*)
- Compensation for instructors (*salaries, wages, fringe benefits*)
- Contracted services
- Curriculum development
- Displays, demonstrations, and exhibits of CTE coursework/ projects
- Equipment
- Excursions/extended learning opportunities tied directly to CTE coursework (*i.e., industry site visits*)
- Indirect costs (*limited to 5%*)
- Instructional materials and supplies
- Outreach activities (*newspapers, radio, TV, magazines*)
- Meetings and conferences where technical information is being disseminated
  - Generally, there is a very high burden of proof to show that paying for food and beverages with Federal funds is necessary to meet the goals and objectives of a Federal grant. If reasonable, when a grantee is hosting a meeting, the grantee should structure the agenda for the meeting to avoid meal times or provide time for participants to secure their own meals. For further information regarding the uses of Perkins funds for food purchases, please see [OCTAE’s Guidance on Food, Meetings, and Conferences](#)
- Memberships and subscriptions in business, professional, technical groups/associations
- Professional development costs
- Professional service costs (*consultants*)
- Program evaluation
- Publication and printing costs
- Remedial services (*CTE-related curriculum modification, supportive personnel, and instructional aids and devices*)
- Rental/lease costs of buildings and equipment
- Stipends
- Substitute teachers (*salary and benefits*)
- Technical skill assessments (*industry recognized certification exams/assessments*)
- Transportation costs (*associated with excursions/extended learning opportunities tied directly to CTE coursework*)
- Travel for staff to CTE-related meetings and conferences

## Unallowable Expenditures

- Administrative or supervisory salaries (*May be charged as an indirect up to 5% of the award or meet the conditions detailed in CFR 200.413(c)*)
- Advertising and public relations designed to promote the provider, not the specific CTE program
- Alcoholic beverages
- Alumni/alumnae activities
- Audits other than the Single Audit
- Bad debts
- Career and Technical Student Organizations (CTSOs): (*student membership fee for said CTSO, stipends, awards, or incentives*)
- Commencement and convocation costs
- Conference travel unrelated to career and technical education program improvement or any international travel
- Consumable supplies to be made into products to be sold or to be used personally by students, teachers, or other persons
- Contingency or “petty cash” funds
- Contributions and donations
- Copyrights/patents
- Entertainment
- Equipment and supplies for building maintenance
- Equipment or supplies not used directly to teach skills to students, including electronic student response systems (*e.g., Quizdoms*)
- Equipment solely for use by the teacher, administrator, or other staff members
- Excessive installation costs for equipment purchased with Perkins funds
- Expenditures for CTE courses and activities prior to the 8<sup>th</sup> grade
- Fines and penalties
- Food/drink that does not meet the high burden of proof of basic cost principles
- Fundraising
- Gifts, door prizes, rewards, and promotional materials (*t-shirts, pens, cups, key chains, book bags*)
- Goods or services for personal use
- Insurance/Self-Insurance
- Interest and other financial costs
- Items to be retained by students
- Lobbying and other political activities
- Membership (costs) in any civic or community organization, country/social club
- Monetary awards
- Non-Instructional furniture (bookcases, drawers, file cabinets, lateral files)
- Pre-award costs
- Purchase or lease of passenger vehicles including automobiles, trucks, buses, utility vehicles, airplanes, boats, and golf carts which are not expressly for instructional purposes
- Purchase or construction of buildings/facilities, including permanent modifications for existing buildings/facilities
- Remedial courses (*courses designed to provide instruction in reading, writing, and mathematics for students who have not acquired the basic academic skills necessary to succeed in general or in career and technical education courses*)
- Scholarships
- Standard classroom furniture, files, and equipment not specific and unique to the instructional program (*tables, chairs, desks*)
- Student travel

**Direct Student Support for Serving Special Populations Students**

It is the long-standing interpretation of the U.S. Department of Education that Congress intended to give states and eligible recipients the flexibility to use Perkins funds to provide direct assistance to special populations under certain, limited circumstances. Special populations students include: displaced homemakers, economically disadvantaged, individuals with disabilities, individuals with limited English proficiency, individuals seeking nontraditional careers, and single parents. Support for special populations students must be properly documented. An eligible recipient, as appropriate, may use Perkins IV funds to provide direct assistance if the following conditions are met:

- i. Students must be a member of a special population and participating in a CTE program
- ii. Assistance is provided to address an overwhelming barrier to successful participation
- iii. Assistance must be part of a larger set of strategies to address the needs of the special population
- iv. Funds should supplement not supplant assistance

**Allowable Expenditures**

- Bus passes and other forms of transportation assistance
- Child care assistance
- Textbook loans
- Tool and other learning supply loans
- Travel support to CTE-related workshops, conferences, or CTSO events
- Uniform loans

**Unallowable Expenditures:**

- Cash
- Gift cards
- Insurance
- Tuition and fees

**Prohibition to Supplant**

A presumption would arise that supplanting has occurred if an eligible recipient used Perkins IV funds to provide services that the recipient

- (1) was required to make available under other federal, state or local laws, except as permitted by section 324(c) of Perkins IV;
- (2) provided with non-federal funds in the prior year; or
- (3) provided with non-federal funds for non-CTE students but charged to Perkins IV funds for CTE students.

These presumptions are rebuttable if the recipient can demonstrate that it would not have provided the services in question with non-federal funds had the Perkins IV funds not been available. Section 324(c) of Perkins IV provides that, notwithstanding the above requirements, an eligible recipient may use funds available under Perkins IV to pay for the costs of services necessary to meet the requirements of section 504 of the Rehabilitation Act of 1973 with respect to ensuring equal access to career and technical education.