



Expenditure and Local Implementation Guide

Strengthening Career and Technical Education in Tennessee (Perkins V)

Tennessee Department of Education | January 2024

Table of Contents

- Purpose of this Guide2**
- Definitions.....3**
- Sources of Local Funding5**
 - Perkins Basic Allocation 5
 - Perkins Re-allocated Funds..... 5
 - Perkins Reserve Grant..... 5
- Basic Cost Principles5**
- Local Uses of Funds6**
- Budget Line Items9**
- Allowable and Unallowable Expenditures 10**
 - Common Allowable Expenditures..... 11
 - Unallowable Expenditures..... 13
 - Draw-down Frequency 14
- Frequently Asked Questions 14**

Purpose of this Guide

The purpose of this guide is to provide guidance for the expenditure of local funds available through the Strengthening Career and Technical Education for the 21st Century Act (Perkins V), 20 U.S. Code § 2302 (referred to in this guide as “Perkins V” or “the Act”). This guide provides definitions of commonly used terms, explains the types of funding available, offers guidance on basic cost principles, details local uses of funds, captures budget line items, overviews allowable and unallowable expenditures, and answers frequently asked questions.

If you have any questions using this guide, please contact your CORE CTE Consultant and/or CTE.Questions@tn.gov.

***PLEASE NOTE: This presentation was prepared for informational purposes only and does not constitute legal advice. Awardees are responsible for compliance and monitoring of the grant award in accordance with the Grant assurances and applicable state and federal law. Please contact your board attorney for specific legal guidance.**

Definitions

CTE Program of Study (POS)

The term CTE Program of Study (POS) is defined in the Act as, “a coordinated, nonduplicative sequence of academic and technical content at the secondary and postsecondary level that, incorporates challenging State academic standards; addresses both academic and technical knowledge and skills, including employability skills; is aligned with the needs of industries in the economy of the State, region, tribal community, or local area; progresses in specificity (beginning with all aspects of an industry or career cluster and leading to more occupation-specific instruction); has multiple entry and exit points that incorporate credentialing; and culminates in the attainment of a recognized postsecondary credential.”

In Tennessee, secondary programs of study are defined by the Tennessee Department of Education (department) or submitted as a special program of study and approved by the Tennessee State Board of Education.

Eligible Recipient

The term Eligible Recipient is defined as, (A) a local educational agency (LEA) or a consortium of LEAs, an area career and technical education center, an educational service agency, an Indian Tribe or Tribal organization or Tribal educational agency; or (B) an eligible institution or consortium of institutions, which meet the eligibility requirements necessary to receive assistance as outlined in the Act.

In addition to these, an eligible recipient must offer at least two full compliant programs of study or career pathways for students to obtain concentrator status and adhere to all assurances as outlined in the local application.

Limited jurisdiction agencies, or an LEA which does not directly serve secondary students, and individual high schools do not meet the definition of an eligible recipient. Funds made available under the Act shall be distributed to the LEA or regional educational agency that provides services to secondary school students in the same attendance area.

High-Skill Industry Sector or Occupation

The term high-skill industry sector or occupation is defined in Tennessee as occupations which require postsecondary and/or long-term training such as an apprenticeship which leads to a postsecondary credential, certificate, diploma, or degree.

High-Wage Industry Sector or Occupation

The term high wage industry sector or occupation is defined in Tennessee as occupations with wages 20% greater than the median regional wage to be determined using workforce development information in the respective Local Workforce Investment Area (LWIA) region.

In-Demand Industry Sector or Occupation

The term in-demand industry sector or occupation is defined in Tennessee as occupations with the following characteristics:

- The growth rate for the industry sector in the LWIA region is positive and the individual occupations have positive growth rates.
- For all occupations in the industry sector, the ratio of program completers (supply) to the number of annual average openings for the occupations (demand) is no more than 1.5.
 - Exception: If the available placement rates for program completers are 95% or above (program completers placed in jobs related to their high-skill training), then the occupations in the industry

sector is considered “in demand.”

The average annual number of openings in the industry sector is equal to or greater than the average number of openings for all regional employment.

Meaningful Progress

Growth equal to or greater than one half (0.5) of a percent toward goals and performance targets.

Size, Scope, and Quality

Vertically aligned programs, which are designed in collaboration with local stakeholders and evaluated through strong student-focused career outcomes and meet the following indicators:

1. Offer approved program(s) of study with sequenced courses of sufficient size to meet the needs identified by the local advisory council and aligned to local and regional employment opportunities.
2. Allows students to develop academically and receive adequate training to be successful in high-skill, high-wage, and/or in-demand opportunities.
3. Ensures students have access to quality educators in the classroom and provides opportunities for educator professional development to support their continued growth.
4. Supports student and parent understanding of how personal interests, abilities, and values might predict success in academic and career fields and how to form goals accordingly.
5. Allows students to demonstrate their college and career readiness through work-based learning experiences, career and technical student organizations (CTSO) participation, and early postsecondary credit attainment, including industry certification(s).

Special Populations

Special populations include:

1. individuals with disabilities;
2. individuals from economically disadvantaged families, including low-income youth and adults;
3. individuals preparing for nontraditional fields;
4. single parents, including single pregnant women,
5. out-of-workforce individuals;
6. English learners;
7. homeless individuals described in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);
8. youth who are in, or have aged out of, the foster care system; and
9. youth with a parent who:
 - a. is a member of the armed forces
 - b. is on active duty.

Supplement vs. Supplant

“Supplement” means to “build upon” or “add to”; “supplant” means to “replace” or “take the place of.” Federal law prohibits recipients of federal funds from replacing state, local, or agency funds with federal funds.

Existing funds for a project and its activities may not be displaced by federal funds and reallocated for other organizational expenses. This is illegal.

Federal agencies encourage supplementing—that is, adding federal funds to what is available in state, local, or agency funds.

Work-Based Learning

The term Work-Based Learning is defined in the Act as, “sustained interactions with industry or community professionals in real workplace settings, to the extent practicable, or simulated environments at an educational institution that foster in-depth, firsthand engagement with the tasks required in a given career

field, that are aligned to curriculum and instruction.”

In Tennessee, the term high-quality and/or capstone work-based learning builds on the federal definition to describe an experience which aligns to the program of study or pathway, is based on student interest and aptitude, and facilitates an intentional progression toward the attainment or demonstration of the knowledge and skills necessary for postsecondary and career goals.

Sources of Local Funding

The department will distribute no less than eighty-five percent (85%) of the state award to eligible recipients as subrecipients. There are three opportunities for LEAs to access funding through local funds.

Perkins Basic Allocation

Of the amount distributed as local funds, no less than eighty-five percent (85%) will be distributed for basic program improvement. Distribution for basic program improvements at the secondary level are allocated to eligible recipients using the formula outlined in section 131(a) of the Act. To receive these funds, eligible recipients must complete and receive approval of the CTE Perkins Basic application in ePlan.

Perkins Re-allocated Funds

Funds not encumbered or obligated by eligible recipients by June 30 annually are reallocated to eligible recipients during the following fiscal year. Re-allocated funds can be distributed to eligible recipients using the basic allocation formula or added to the funds available through the reserve consolidated grant, which is a competitive process.

Perkins Reserve Grant

Of the amount distributed as local funds, no less than fifteen percent (15%) will be distributed to promote and foster innovation through the reserve consolidated grant. The funds are distributed through a competitive process for the following eligible recipients:

- No less than thirty-four percent (34%) will be distributed for secondary
- No more than thirty-three percent (33%) will be distributed for secondary and postsecondary regional collaborative initiatives
- No less than thirty-three percent (33%) will be distributed for postsecondary

Basic Cost Principles

In addition to the required uses outlined in Section 135 of the *Strengthening Career and Technical Education for the 21st Century Act* (Perkins V), and any applicable information from the *Strengthening Career and Technical Education in Tennessee State Plan*, all expenditures of Perkins funds must meet the basic cost principles outlined in the Office of Management and Budget (OMB) Circulars, the most current of which being 2 CFR 200 (the “Super circular”). The cost principles of [2 CFR 200](#) are the basic guidelines describing permissible ways federal funds may be spent.

The expenditure of Perkins funding is further regulated by the Education Department General Administrative Regulations ([EDGAR](#)). The general principles 2 CFR 200 state that for costs to be allowable, they must be:

- **Reasonable and necessary** (meaning that, for example, sound business practices were followed, and purchases were comparable to market prices);
 - A cost may be reasonable if the nature of the goods or services acquired and the amount involved reflect the action that a prudent person would have taken under the circumstances

prevailing at the time the decision to incur the cost was made.

- **Allocable to the federal award** (meaning that the federal grant program, in this case Perkins, derived a benefit in proportion to the funds charged to the program – for example if fifty percent (50%) of an instructor’s salary is paid with Perkins funds, then that instructor must spend at least fifty percent (50%) of his or her time on a Perkins program);
- **Legal under state and local law;**
- **Properly documented** (and accounted for on a consistent basis with generally accepted accounting principles. Keep adequate documentation on file with the district to show a purchase is necessary, reasonable, and allocable);
- **Consistent with the provisions of the grant program** (Perkins V); and
- **Not used for cost-sharing or matching** any other grant agreement.

Local Uses of Funds¹

General Authority – Each eligible recipient that receives funds under this part shall use such funds to develop, coordinate, implement, or improve career and technical education programs to meet the needs identified in the comprehensive needs assessment described in [section 135 \(b\)](#).

Requirements for uses of funds – Funds made available to eligible recipients under this part shall be used to support career and technical education 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 career and technical education program, in **making informed plans and decisions about future education and career opportunities and programs of study**, which may include:
 - a. introductory courses or activities focused on career exploration and career awareness, including non-traditional fields;
 - b. readily available career and labor market information, including information on—
 - i. occupational supply and demand;
 - ii. educational requirements;
 - iii. other information on careers aligned to State, local, or Tribal (as applicable) economic priorities; and
 - iv. employment sectors;
 - c. programs and activities related to the development of student graduation and career plans;
 - d. career guidance and academic counselors that provide information on postsecondary education and career options;
 - e. any other activity that advances knowledge of career opportunities and assists students in making informed decisions about future education and employment goals, including non-traditional fields; or
 - f. providing students with strong experience in, and comprehensive understanding of, all aspects of an industry;
2. provide **professional development** for teachers, faculty, school leaders, administrators, specialized instructional support personnel, career guidance and academic counselors, or paraprofessionals, which may include:
 - a. professional development on supporting individualized academic and career and technical education instructional approaches, including the integration of academic and career and technical education standards and curricula;
 - b. professional development on ensuring labor market information is used to inform the

¹ Strengthening Career and Technical Education for the 21st Century, Section 135

- programs, guidance, and advisement offered to students, including information provided under section 15(e)(2)(C) of the Wagner-Peyser Act (29 U.S.C. 491–2(e)(2)(C));
- c. providing teachers, faculty, school leaders, administrators, specialized instructional support personnel, career guidance and academic counselors, or paraprofessionals, as appropriate, with opportunities to advance knowledge, skills, and understanding of all aspects of an industry, including the latest workplace equipment, technologies, standards, and credentials;
 - d. supporting school leaders and administrators in managing career and technical education programs in the schools, institutions, or local educational agencies of such school leaders or administrators;
 - e. supporting the implementation of strategies to improve student achievement and close gaps in student participation and performance in career and technical education programs;
 - f. providing teachers, faculty, specialized instructional support personnel, career guidance and academic counselors, principals, school leaders, or paraprofessionals, as appropriate, with opportunities to advance knowledge, skills, and understanding in pedagogical practices, including, to the extent the eligible recipient determines that such evidence is reasonably available, evidence-based pedagogical practices;
 - g. training teachers, faculty, school leaders, administrators, specialized instructional support personnel, career guidance and academic counselors, or paraprofessionals, as appropriate, to provide appropriate accommodations for individuals with disabilities, and students with disabilities who are provided accommodations under the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) or the Individuals with Disabilities Education Act;
 - h. training teachers, faculty, specialized instructional support personnel, career guidance and academic counselors, and paraprofessionals in frameworks to effectively teach students, including a particular focus on students with disabilities and English learners, which may include universal design for learning, multi-tier systems of supports, and positive behavioral interventions and support; or
 - i. training for the effective use of community spaces that provides access to tools, technology, and knowledge for learners and entrepreneurs, such as makerspaces or libraries;
3. provide within career and technical education the **skills** necessary to pursue careers in high-skill, high-wage, or in-demand industry sectors or occupations;
 4. support **integration of academic skills** into career and technical education programs and programs of study to support:
 - a. CTE participants at the secondary school level in meeting the challenging State academic standards adopted under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 by the State in which the eligible recipient is located; and
 - b. CTE participants at the postsecondary level in achieving academic skills;
 5. plan and carry out elements that support the implementation of career and technical education programs and **programs of study** and that **result in increasing student achievement** of the local levels of performance established under section 113, which may include:
 - a. a curriculum aligned with the requirements for a program of study;
 - b. sustainable relationships among education, business and industry, and other community stakeholders, including industry or sector partnerships in the local area, where applicable, that are designed to facilitate the process of continuously updating and aligning programs of study with skills that are in demand in the State, regional, or local economy, and in collaboration with business outreach staff in one-stop centers, as defined in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102), and other appropriate organizations, including community-based and youth-serving organizations;
 - c. where appropriate, expanding opportunities for CTE concentrators to participate in accelerated learning programs (as described in section 4104(b)(3)(A)(i)(IV) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7114(b)(3)(A)(i)(IV)), including dual or concurrent enrollment

- programs, early college high schools, and the development or implementation of articulation agreements as part of a career and technical education program of study;
- d. 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;
 - e. a continuum of work-based learning opportunities, including simulated work environments;
 - f. industry-recognized certification examinations or other assessments leading toward a recognized postsecondary credential;
 - g. efforts to recruit and retain career and technical education program teachers, faculty, school leaders, administrators, specialized instructional support personnel, career guidance and academic counselors, and paraprofessionals;
 - h. where applicable, coordination with other education and workforce development programs and initiatives, including career pathways and sector partnerships developed under the Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.) and other Federal laws and initiatives that provide students with transition-related services, including the Individuals with Disabilities Education Act;
 - i. expanding opportunities for students to participate in distance career and technical education and blended learning programs;
 - j. expanding opportunities for students to participate in competency-based education programs;
 - k. improving career guidance and academic counseling programs that assist students in making informed academic and career and technical education decisions, including academic and financial aid counseling;
 - l. supporting the integration of employability skills into career and technical education programs and programs of study, including through family and consumer science programs;
 - m. supporting programs and activities that increase access, student engagement, and success in science, technology, engineering, and mathematics fields (including computer science and architecture) for students who are members of groups underrepresented in such subject fields;
 - n. providing career and technical education, in a school or other educational setting, for adults or out-of-school youth to complete secondary school education or upgrade technical skills;
 - o. supporting career and technical student organizations, including student preparation for and participation in technical skills competitions aligned with career and technical education program standards and curricula;
 - p. making all forms of instructional content widely available, which may include use of open educational resources;
 - q. supporting the integration of arts and design skills, when appropriate, into career and technical education programs and programs of study;
 - r. partnering with a qualified intermediary to improve training, the development of public-private partnerships, systems development, capacity-building, and scalability of the delivery of high-quality career and technical education;
 - s. support to reduce or eliminate out-of-pocket expenses for special populations participating in career and technical education, including those participating in dual or concurrent enrollment programs or early college high school programs, and supporting the costs associated with fees, transportation, childcare, or mobility challenges for those special populations; or
 - t. other activities to improve career and technical education programs; and
6. develop and implement evaluations of the activities carried out with funds under this part, including evaluations necessary to complete the **comprehensive needs assessment** required under section 134(c) and the local report required under section 113(b)(4)(B).

Budget Line Items

71300 Vocational Education Program	
71300-116	TEACHER (New program/graduated phase out) add benefits
71300-162	CLERICAL PERSONNEL (Requires job description) add benefits
71300-163	EDUCATIONAL ASSISTANT SALARIES (Requires job description)
71300-189	OTHER SALARIES AND WAGES (Requires job description)
71300-195	CERTIFIED SUBSTITUTE TEACHERS
71300-198	NON-CERTIFIED SUBSTITUTE TEACHERS
71300-201	SOCIAL SECURITY
71300-204	STATE RETIREMENT
71300-206	LIFE INSURANCE
71300-207	MEDICAL INSURANCE
71300-208	DENTAL INSURANCE
71300-210	UNEMPLOYMENT COMPENSATION
71300-211	LOCAL RETIREMENT
71300-212	EMPLOYER MEDICARE
71300-217	RETIREMENT – HYBRID STABILIZATION
71300-299	OTHER FRINGE BENEFITS
71300-311	CONTRACTS W/OTHER SCHOOL SYSTEMS
71300-336	MAINTENANCE or EQUIPMENT REPAIR
71300-369	CONTRACTED SUBSTITUTE TEACHERS – CERTIFIED
71300-370	CONTRACTS FOR SUBS NON-CERTIFIED
71300-399	OTHER CONTRACTED SERVICES
71300-429	INSTRUCTIONAL SUPPLIES & MATERIALS (non-consumable)
71300-429C	INSTRUCTIONAL SUPPLIES & MATERIALS (consumable)
71300-471	SOFTWARE
71300-499	OTHER SUPPLIES & MATERIALS (non-consumable)
71300-599	OTHER CHARGES
71300-730	CAREER AND TECHNICAL INSTRUCTION EQUIPMENT
72130 Other Student Support	
72130-123	GUIDANCE PERSONNEL (Requires job description)
72130-201	SOCIAL SECURITY
72130-204	STATE RETIREMENT
72130-206	LIFE INSURANCE
72130-207	MEDICAL INSURANCE
72130-208	DENTAL INSURANCE
72130-210	UNEMPLOYMENT COMPENSATION
72130-211	LOCAL RETIREMENT
72130-212	EMPLOYER MEDICARE
72130-217	RETIREMENT – HYBRID STABILIZATION
72130-299	OTHER FRINGE BENEFITS
72130-355	LOCAL TRAVEL
72130-399	OTHER CONTRACTED SERVICES
72130-499	RECRUITMENT OF SPECIAL POPULATIONS; PROMOTING A POS
72130-599	CTSO COSTS (LODGING, MEALS, REGISTRATION); OTHER CHARGES
72130-189	WITHOUT PD (OTHER SALARIES AND WAGES)
72130-189PD	OTHER PD SALARIES (STIPENDS-Note add benefits above) REQUIRES A JOB DESCRIPTION
72130-399PD	OTHER CONTRACTED SERVICES (OUTSIDE PRESENTERS' PD)

72130-524PD	IN-SERVICE/STAFF DEVELOPMENT
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72710 Transportation	
72710-146	BUS DRIVERS LEA EMPLOYEE
72710-146C	CTSO BUS TRAVEL LEA EMPLOYEE
72710-201	SOCIAL SECURITY
72710-204	RETIREMENT
72710-206	LIFE INSURANCE
72710-207	MEDICAL INSURANCE
72710-210	UNEMPLOYMENT COMPENSATION
72710-211	LOCAL RETIREMENT
72710-212	EMPLOYER MEDICARE
72710-217	RETIREMENT-HYBRID STABILIZATION
72710-299	OTHER FRINGE BENEFITS
72710-315	CONTRACTS WITH PUBLIC CARRIERS/TRANSPORTATION
72710-315C	CONTRACTS WITH PUBLIC CARRIERS/TRANSPORTATION FOR CTSO
72230 Support Services/Vocational Education Program	
72230-105	CTE DIRECTOR SALARY (Job Description and benefits if needed)
72230-162	CLERICAL PERSONNEL (For directors' benefit; Job description required)
72230-201	SOCIAL SECURITY
72230-204	STATE RETIREMENT
72230-206	LIFE INSURANCE
72230-207	MEDICAL INSURANCE
72230-208	DENTAL INSURANCE
72230-210	UNEMPLOYMENT COMPENSATION
72230-211	LOCAL RETIREMENT
72230-212	EMPLOYER MEDICARE
72230-217	RETIREMENT – HYBRID STABILIZATION
72230-299	OTHER BENEFITS
72230-355	CTE DIRECTOR TRAVEL
72230-499	OTHER SUPPLIES AND MATERIALS
72230-524	CTE DIRETOR INSERVICE/PD
72230-599	OTHER CHARGES
72230-790	OTHER EQUIPMENT
99100 Transfers Out	
99100-504	INDIRECT COSTS
99100-590	TRANSFERS OUT

Allowable and Unallowable Expenditures

This is **not a complete list** of allowable/unallowable costs as it relates to Perkins V. The allowability of expenditures should be determined by considering the purpose and requirements of the *Strengthening Career and Technical Education for the 21st Century Act*, the *Strengthening Career and Technical Education in Tennessee State Plan*, and any pertaining Federal cost guidelines (as outlined in the Uniform Grants Guidance section of the EDGAR book). **When in doubt, ask!**

What is allowable? Instructional materials, software and/or equipment must enhance instruction for CTE students, including those in middle grades, to gain knowledge and skills that meet industry standards and expectations for approved programs and programs of study, and are also in high-wage, high-skill, or in-

demand occupations.

All costs must be submitted and approved in the CTE Perkins Basic application in ePlan prior to spending.

Common Allowable Expenditures

71300 | Vocational Education Programs (Instruction)

Line Item	Common Expenditures	Notes
71300-116	<ul style="list-style-type: none"> Teacher salaries 	<ul style="list-style-type: none"> Teacher salaries are only allowed when implementing a new Program of Study (POS) Salary positions require a job description. Must keep PAR for each person. Must be phase out over three years: <ul style="list-style-type: none"> 100% year one 50% year two 25% year three Associated benefits must be included
71300-336	<ul style="list-style-type: none"> Maintenance and Repair 	<ul style="list-style-type: none"> 5% maximum of total allocation Maintenance and repair of equipment purchased with Perkins is allowed
71300-369	<ul style="list-style-type: none"> Certified Substitute Teachers 	<ul style="list-style-type: none"> For CTE teachers attending approved CTE travel Cannot supplant local funding from previous year
71300-370	<ul style="list-style-type: none"> Non-Certified Substitute Teachers 	<ul style="list-style-type: none"> For CTE teachers attending approved CTE travel Cannot supplant local funding from previous year
71300-429	<ul style="list-style-type: none"> Instructional resources 	<ul style="list-style-type: none"> Textbooks Instructional supplies below \$500.00
71300-429C	<ul style="list-style-type: none"> Consumable items 	<ul style="list-style-type: none"> 5% maximum of total allocation Cannot supplant local funding from previous year
71300-471	<ul style="list-style-type: none"> Software 	<ul style="list-style-type: none"> Online software and site licenses
71300-499	<ul style="list-style-type: none"> Industry credential exams 	<ul style="list-style-type: none"> Must be aligned and on the TDOE state promoted list of industry credentials
71300-599	<ul style="list-style-type: none"> Organizational memberships and subscriptions Communication costs 	<ul style="list-style-type: none"> Memberships must be for the organization, not individual memberships
71300-730	<ul style="list-style-type: none"> Equipment 	<ul style="list-style-type: none"> New, updated, and rental of equipment Items \$500.00 or more

72130 | Other Student Support

Line Item	Common Expenditures	Notes
72130-189	<ul style="list-style-type: none"> Teacher stipends Teacher externships 	<ul style="list-style-type: none"> Stipends are allowed for CTE related work above and beyond working hours Stipends must include a detailed description of services Externship stipends must include a detailed description of deliverable or services as a result of the externship

72130-399PD	<ul style="list-style-type: none"> Contracted services 	<ul style="list-style-type: none"> Counts toward 5% minimum of total allocation for professional development Outside presenter professional development
72130-499	<ul style="list-style-type: none"> Recruitment of special populations Marketing activities 	<ul style="list-style-type: none"> Recruitment of special pops to ensure access to CTE programs Reference State Determined Level of Performance (SDLP) for gaps among subgroups. Costs associated with the promotion and recruitment of CTE POS Allowable advertising costs per 2CFR §200.42
72130-524PD	<ul style="list-style-type: none"> Conference and professional development fees 	<ul style="list-style-type: none"> Counts toward 5% minimum of total allocation for professional development Conference attendance fee, travel costs, lodging, and meals for CTE teachers, counselors, career coaches, etc.
72130-599	<ul style="list-style-type: none"> CTSO Expenditures Recruitment of special populations 	<ul style="list-style-type: none"> Teacher and student lodging, teacher registration and meals. Counts toward 20% maximum.

72710 | Transportation

Line Item	Common Expenditures	Notes
72710-146	<ul style="list-style-type: none"> Transportation 	<ul style="list-style-type: none"> Travel to IHE, WBL with LEA bus driver/bus.
72710-146C	<ul style="list-style-type: none"> CTSO Transportation 	<ul style="list-style-type: none"> CTSO transportation with LEA bus/driver. Counts towards the 20% maximum.
72710-315	<ul style="list-style-type: none"> Transportation 	<ul style="list-style-type: none"> Contracted transportation
72710-315C	<ul style="list-style-type: none"> CTSO Transportation 	<ul style="list-style-type: none"> CTSO contracted transportation/charter bus. Counts toward the 20% maximum.

72230 | Support Services/Vocational Education Program (Administration)

Line Item	Common Expenditures	Notes
72230-355	<ul style="list-style-type: none"> CTE Director Travel 	<ul style="list-style-type: none"> Travel within the district
72230-524	<ul style="list-style-type: none"> CTE Director professional development 	<ul style="list-style-type: none"> Counts toward 5% minimum of total allocation for professional development Includes travel costs for study council meetings and quarterly CTE director meetings
72230-790	<ul style="list-style-type: none"> Equipment 	<ul style="list-style-type: none"> Equipment for the CTE director and/or administration of the Perkins grant funds Counts toward 5% maximum of total allocation for administration

99100 | Transfers Out

Line Item	Common Expenditures	Notes
99100-590	<ul style="list-style-type: none"> Administrative salaries Supervisory salaries 	<ul style="list-style-type: none"> Counts toward 5% maximum of total allocation for administration

Unallowable Expenditures²

- Advertising and public relations designed to solely promote the institution (not tied directly and exclusively to CTE)
- Alcoholic beverages
- Alumni/ae activities
- Audits other than the A-133 Single Audit (the cost of a general school/institution audit is unallowable); and interest paid or other financial costs.
- Bad debts (losses from uncollectible accounts)
- Building modifications, attachments, accessories, construction (including plumbing, wiring, HVAC, etc.) or land purchases
- Commencement and convocation costs
- Conference for non-CTE – Perkins can only pay for the expenses of teachers, school counselors, paraprofessionals, or administrators attending conferences that are directly related to CTE instruction
- Construction, renovation, and/or remodeling of facilities (construction costs and materials for a structure (e.g., greenhouse) or anything that becomes a part of the permanent structure)
- Contingency or “petty cash” funds
- Contributions or donations
- Copyrights/patents
- Dues/membership to professional organizations or societies for individuals
- Entertainment costs: meals, banquets, transportation, gratuities and lodging
- Fines or penalties of any type
- Equipment – Expenditures for equipment that are not specifically used for approved CTE courses/programs of study; not used for general administrative or personal use; that becomes a part of the permanent structure; equipment and supplies needed for building maintenance.
- Expenditures for CTE activities prior to middle grades.
- Goods or services for personal use
- Interest or other financial costs
- Expenditures for CTE programs of study that are not approved.
- Expenditure that supplants non-federal funds expended to carry out CTE activities
- Fundraising
- Furniture – typical classroom (chairs, desks, bookcases, tables, file cabinets, bulletin boards, dry erase boards, chairs, etc.) typical to a traditional classroom setup.
 - ***Exception:*** *if the furniture is unique to a tool or piece of equipment and/or is required for that tool or equipment to operate safely and properly, or the furniture is specific to the program of study, furniture may be approved.*
- Gifts, door prizes, etc.
- Items retained by students (supplies, clothing/uniform, tools, PDAs, calculators)
- Lobbying and other political activities
- Monetary awards
- Promotional items, such as t-shirts, pens, cups, key chains, etc.
- Purchase or lease of passenger vehicles including automobiles, trucks, buses, utility vehicles, airplanes, boats, kit-cars, and golf carts (that are not part of an instructional program)
- Purchase or construction of structure/building/facilities, including permanent or semi-permanent modifications to existing building/facilities including data drops and network access points.
- Remedial courses (courses designed to provide instruction in reading, writing, and mathematics for students who have not acquired the basic skills necessary to succeed in general or career education)
- Supplanting – 1) Using Perkins funds to provide services the recipient is required to make available

² Perkins V Allowable & Unallowable Expenditure, Brustein & Manasevit, PLLC distributed at the 2019 Institute for CTE Educators in Chattanooga, Tennessee

- under state or local laws; **or** 2) Using Perkins funds to provide services the recipient provided with state or local funds in the prior year
- Travel unrelated to CTE programs.

Draw-down Frequency

Students of the current fiscal year must benefit from instructional supplies, equipment, field trips, teachers' advanced learning, etc. Expenditures must be ongoing so that students benefit from the current fiscal year funding. The draw-down percentages must follow the sequence below:

- 20 percent (20%) by Sept. 30
- 45 percent (45%) by Dec. 31
- 70 percent (70%) by March 31
- 100 percent (100%) by June 30
- Up to \$100 variance at end of fiscal year (June 30)

Frequently Asked Questions

Q: Am I allowed to pay for a teacher's salary?

A: Yes. Funds can be used for teacher salaries (Line item 71300-116) for new programs and new teachers with a phase out over three years (100% year one, 50% year two and 25% year three.) Please note that you must also add benefits, which must be manually calculated, and a personnel activity form (PAR) is required to record time. Perkins funds (Line item 71300-116) can also be used to pay for a CTE-specific counselor and/or a substitute teacher while the teacher is attending professional development.

Q: Can Perkins funds pay teacher stipends?

A: Yes. If the work is above and beyond the regular teaching assignment, use line item 72130-189 PD, unless stipend is not PD related. Benefits must also be calculated.

Q: Can I pay for a substitute?

A: Only if the substitute is used while the teacher is attending approved CTE-related professional development, training, events, etc.

Q: Which line item do I use to reimburse transportation costs for a CTSO advisor?

A: Either 72130-599 or 72130-524. If the teacher is attending professional development at a CTSO event, use 72130-524. Anything else that is CTSO-related, but not professional development use 72130-599.

Q: Which line items should be used to pay non-teacher salaries out of Perkins V basic funds?

A: Clerical personnel (72230-162), Educational assistants (71300-163) and other salaries and wages (72130-189). **NOTE:** all of these require a job description. The director must add benefits, which must be manually calculated for any clerical personnel. Benefits are part of the 5% minimum.

Q: Could I pay the salary for someone to coordinate Work-Based Learning with Perkins V basic funds?

A: For it to be Perkins allowable the placements must be tied to a POS (or allocable to the portion that is CTE) and should use the same 3-year phase-out rule on paying salary.

Q: Which line items go toward the 5% minimum for professional development?

A: The following line items contribute to the 5% minimum for professional development

- 72130-189PD | this can be used for stipends, be sure to calculate benefits
- 72130-399PD | this can be used to pay outside presenter fees
- 72130-524PD

- 72230-524 | this should be used for CTE Director travel to TDOE led meetings and study councils. Expenses for non-TDOE led travel should go under 72230-355

Q: Which line items go toward the 20% maximum for CTSOs?

A: The following line items contribute to the 20% maximum for CTSOs

- 72710-146C | this can be used for bus drivers; be sure to calculate benefits
- 72130-599 | this can be used for student transportation and hotel expenses and teacher transportation, hotel, meals, and registration costs.
- 72710-315C | this can be used for CTSO bus charters

Q: What is considered “CTE Administration”?

A: Secretarial and administrative costs including clerical support staff and directors.

Q: What is allowable for “CTE Administration”?

A: Activities necessary for proper and efficient performance of the eligible recipient.

Q: What is unallowable for “CTE Administration”?

A: Personnel development, supervisory positions, and research activities.

Q: Which line items go toward the 5% maximum for administration costs?

A: The following line items contribute to the 5% maximum for administration

- All 72230 line items, with the exception of 72230-524
- 72230-355 | this should be used for all non-TDOE led travel costs. Travel costs associated with TDOE led meetings should go to 72230-524.
- Indirect costs are also included 99100-590.

Q: Can I purchase online software?

A: Yes. This belongs in line 71300-4471.

Q: Can I pay for industry credential exams?

A: Yes. Use line item 71300-499 and be sure the credential is identified on the Tennessee Promoted Industry Credential listing.

Q: What is a consumable item?

A: Any item that is intended to be used and then replaced in the CTE program. Some examples include:

- Seeds, plants, potting soil
- Printer toner, ink, paper
- Welding gases or rods, lumber, nails
- Latex gloves, bandages, gowns

Q: Can I use Perkins funds for capital purchases?

A: No. Capital expenditures for general purpose equipment, buildings, and land are unallowable.

Q: When should I use 71300-730 instead of 71300-429 for equipment purchases?

A: When the equipment exceeds \$500.00

Q: Do I have to bid out prior to purchases items with Perkins funds?

A: Possibly. If the item fits the procedure for bided items in the district, yes. You should follow the most restrictive policy (Tennessee Code Annotated or district policy) to procure these items.