

NEW MEXICO PUBLIC EDUCATION DEPARTMENT

Carl D. Perkins
Career and Technical Education Act of 2006
Grants Management Manual



New Mexico Public Education Department

College and Career Readiness Bureau

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Introduction

Career and technical education (CTE) is a blend of academic, career-specific, general workplace, and life skills education leading to further education and employment. CTE is an essential component of the New Mexico Public Education Department (PED) curriculum. PED's College and Career Readiness Bureau (CCRB) is the unit within PED responsible for CTE initiatives. It is a critical element in meeting the needs of students in academic achievement, career exploration, career preparation, and leadership development. CTE is managed according to a strategic plan containing the vision, mission, and measurable goals and objectives leading to successful CTE program implementation.

This manual sets forth the policies and procedures used by the PED to administer the Carl D. Perkins Career and Technical Education Act of 2006 (Perkins or Act). This manual addresses applying for Perkins funds, requirements related to fiscal grants management (including allowability and cash management), and additional requirements placed on PED as the pass-through entity. PED developed this manual to provide staff, eligible recipients, and the public with the highest level of transparency in regards to the processes PED and eligible recipients use to administer this federal program. State monitors and examiners, the U.S. Department of Education's (USDE's) Office of Inspector General (OIG) and Office of Career, Technical and Adult Education (OCTAE) (formerly known as the Office of Vocational and Adult Education (OVAE)) may rely on the procedures and internal controls described in this manual to assess PED compliance with the Perkins program, the Education Department General Administrative Regulations (EDGAR), and the Office of Management and Budget (OMB) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (commonly referred to as the Uniform Grant Guidance or Uniform Guidance). EDGAR incorporates the Uniform Grant Guidance at Part 200 of Title 2 of the Code of Federal Regulations (CFR) (i.e., 2 CFR Part 200). Additionally, the policies and guidelines found in this manual are intended to assist eligible recipients in the proper administration of CTE programs at the local level.

All employees of PED and local level personnel, including new and existing staff, are expected to be familiar with the contents of this manual. This manual serves as a useful tool to understand the often confusing landscape of Perkins and federal education grants management. This manual sets forth clear guidance on programmatic and administrative requirements.

This manual is designed solely for PED's Perkins program. It was not designed, nor should it be construed, as a description of the policies and procedures for other offices and sections within PED. This manual will be periodically updated to reflect significant changes at PED regarding the Perkins program.

PED and CCRB maintain a CTE website containing resources. This website is located at: http://www.ped.state.nm.us/ped/CCR_perkins.html.

Please do not hesitate to contact Eric Spencer, CCRB Director, at Eric.Spencer@state.nm.us or 505-827-6420 if you have any questions regarding Perkins program administration.

A directory of assigned program monitors for each recipient can be found at http://www.ped.state.nm.us/ped/CCR_contacts.html.

Programmatic Aspects of the Perkins Grant

Purpose of the Perkins Act

The goal of the Perkins Act is to improve the quality of CTE programs and to assist in developing academic and career and technical skills of secondary and postsecondary education students who elect to enroll in CTE programs. Throughout the Act, the focus is on accountability and program improvement, connections between secondary and postsecondary education, linking CTE to rigorous academic standards, and a strong focus on business and industry. The Act states it seeks to improve and assist CTE students by:

- building on the efforts of the state and its postsecondary institutions to develop challenging academic and technical standards and to assist students in meeting such standards, including preparation for high-skill, high-wage, or high-demand occupations in current or emerging professions;
- promoting the development of services and activities that integrate rigorous and challenging academic and career and technical instruction, and that link secondary education and postsecondary education for CTE students;
- increasing state and local flexibility in providing services and activities designed to develop, implement, and improve CTE;
- providing technical assistance that –
 - promotes leadership and professional development at the state and local levels; and
 - improves the quality of CTE teachers, faculty, administrators and counselors;
- supporting partnerships among secondary schools, postsecondary institutions, baccalaureate degree granting institutions, area CTE schools, local workforce investment boards, business and industry, and intermediaries; and
- providing individuals with opportunities throughout their lifetimes to develop, in conjunction with other education and training programs, the knowledge and skills needed to keep the United States competitive.

Use of Funds at the State Level

This section discusses the specific uses for which a state is authorized to spend its Perkins allocation, and how much must be spent towards each use.

Administration

Pursuant to section 112(a)(3) of the Perkins Act, a state must spend no more than 5 percent or \$250,000, whichever is greater, of its grant from the U.S. Department of Education (USDE) for administration of the state plan. Administrative activities include: developing the state plan, reviewing a local plan, monitoring and evaluating program effectiveness, assuring compliance with all applicable federal laws, providing technical assistance, and supporting and developing

state data systems relevant to the provisions of Perkins. Typically, state administration funds are primarily spent on salaries, allowable travel and professional development costs for those employees whose salaries are covered from state administration funds.

As noted below, there is a matching requirement under the administration allocation. The state must match, with non-federal funds and on a dollar-for-dollar basis, all Perkins funds spent on administration.

Leadership

Pursuant to section 112(a)(2), a state may not spend more than 10 percent on leadership activities. Out of this 10 percent, not less than \$60,000 and not more than \$150,000 must be spent on services that prepare individuals for nontraditional fields (“nontraditional set-aside”). The PED budgets \$70,000 for the nontraditional set-aside. Additionally, an amount equal to not more than 1 percent of the amount allotted to the state must be used to serve individuals in state institutions, such as state correctional institutions and institutions that serve individuals with disabilities; however this amount must come out of the state leadership set-aside. The PED budgets \$10,000 for state institution activities.

There are specific **mandatory** leadership activities for which leadership funds under Perkins must be used:

1. an assessment of the CTE programs carried out with funds under this title, including an assessment of how the needs of special populations are being met and how the CTE programs are designed to enable special populations to meet state adjusted levels of performance and prepare the special populations for further education, further training, or for high-skill, high-wage, or high-demand occupations;
2. developing, improving, or expanding the use of technology in CTE that may include –
 - a. training of CTE teachers, faculty, career guidance and academic counselors, and administrators to use technology, including distance learning;
 - b. providing CTE students with the academic and career and technical skills (including mathematics and science knowledge that provides a strong basis for such skills) that lead to entry into technology fields, including nontraditional fields; or
 - c. encouraging schools to collaborate with technology industries to offer voluntary internships and mentoring programs;
3. professional development programs, including providing comprehensive professional development (including initial teacher preparation) for CTE teachers, faculty, administrators, and career guidance and academic counselors at the secondary and postsecondary levels, that support activities described in section 122 of the Act regarding State Plan development and activities described in the State Plan and –
 - a. provide in-service and pre-service training in CTE programs –
 - i. on effective integration and use of challenging academic and CTE education provided jointly with academic teachers to the extent practicable;

- ii. on effective teaching skills based on research that includes promising practices;
 - iii. on effective practices to improve parental and community involvement; and
 - iv. on effective use of scientifically based research and data to improve instruction;
 - b. are high quality, sustained, intensive, and classroom-focused in order to have a positive and lasting impact on classroom instruction and the teacher's performance in the classroom, and are not 1-day or short-term workshops or conferences;
 - c. will help teachers and personnel to improve student achievement in order to meet the State adjusted levels of performance established under Section 113 of the Act (regarding accountability);
 - d. will support education programs for teachers of CTE in public schools and other public school personnel who are involved in the direct delivery of educational services to CTE students to ensure that teachers and personnel –
 - i. stay current with the needs, expectations, and methods of industry;
 - ii. can effectively develop rigorous and challenging, integrated academic and CTE curricula jointly with academic teachers, to the extent practicable;
 - iii. develop a higher level of academic and industry knowledge and skills in CTE; and
 - iv. effectively use applied learning that contributes to the academic and career and technical knowledge of the student; and
 - e. are coordinated with the teacher certifications or licensing and professional development activities that the state carries out under title II of the Elementary and Secondary Education Act of 1965 and title II of the Higher Education Act of 1965;
- 4. supporting CTE programs that improve the academic and career and technical skills of students participating in CTE programs by strengthening the academic and career and technical components of such CTE programs, through integration of coherent and relevant content aligned with challenging academic standards and relevant career and technical education, to ensure achievement in –
 - a. the core academic subjects (as defined in section 9101 of the Elementary and Secondary Education Act of 1965); and
 - b. CTE subjects;
- 5. providing preparation for nontraditional fields in current and emerging professions, and other activities that expose students, including special populations, to high-skill, high-wage occupations;
- 6. supporting partnerships among local educational agencies, institutions of higher education, adult education providers, and, as appropriate, other entities, such as employers, labor organizations, intermediaries, parents, and local partnerships, to enable students to achieve state academic standards, and career and technical skills, or

complete career and technical programs of students, as described in section 122(c)(1)(A);

7. serving individuals in state institutions, such as state correctional institutions and institutions that serve individuals with disabilities;
8. support for programs for special populations that lead to high-skill, high-wage, or high demand occupations; and
9. technical assistance for eligible recipients. (Note that technical assistance is an allowable use under both the administration and leadership set-aside. In making a decision about whether a technical assistance activity should be budgeted under leadership or administration, PED should keep in mind that all administrative expenditures must be matched with non-federal funds.)

In addition to the mandatory uses listed above, there are also a number of **permissive** uses PED may spend its leadership funds on:

1. improvement of career guidance and academic counseling programs that assist students in making informed academic and CTE decisions, including –
 - a. encouraging secondary and postsecondary students to graduate with a diploma or a degree; and
 - b. exposing students to high-skill, high-wage occupations and nontraditional fields;
2. establishment of agreements, including articulation agreements, between secondary and postsecondary CTE programs in order to provide postsecondary education and training opportunities for students participating in CTE programs, such as tech prep programs;
3. support for initiatives to facilitate the transition of sub-baccalaureate CTE students into baccalaureate degree programs, including –
 - a. statewide articulation agreements between associate degree granting career and technical postsecondary educational institutions and baccalaureate degree granting postsecondary educational institutions;
 - b. postsecondary dual and concurrent enrollment programs;
 - c. academic and financial aid counseling; and
 - d. other initiatives –
 - i. to encourage the pursuit of a baccalaureate degree; and
 - ii. to overcome barriers to participation in baccalaureate degree programs, including geographic and other barriers affecting rural students and special populations;
4. support for career and technical student organizations, especially with respect to efforts to increase the participation of students who are members of special populations;
5. support for public charter schools operating CTE programs;
6. support for CTE programs that offer experience in, and understanding of, all aspects of an industry for which students are preparing to enter;
7. support for family and consumer sciences programs;

8. support for partnerships between education and business or business intermediaries, including cooperative education and adjunct faculty arrangements at the secondary and postsecondary levels;
9. support to improve or develop new CTE courses and initiatives, including career clusters, career academies, and distance education, that prepare individuals academically and technically for high-skill, high-wage, or high-demand occupations;
10. awarding incentive grants to eligible recipients –
 - a. for exemplary performance in carrying out programs under this Act, which awards shall be based on –
 - i. eligible recipients exceeding the local adjusted levels of performance established under section 113(b) in a manner that reflects sustained or significant improvement;
 - ii. eligible recipients effectively developing connections between secondary education and postsecondary education and training;
 - iii. the adoption and integration of coherent and rigorous content aligned with challenging academic standards and technical coursework;
 - iv. eligible recipients' progress in having special populations who participate in CTE programs meet local adjusted levels of performance; or
 - v. other factors relating to the performance of eligible recipients under this Act as the eligible agency determines are appropriate; or
 - b. if an eligible recipient elects to use funds as permitted under section 135(c)(19);
11. providing for activities to support entrepreneurship education and training;
12. providing CTE programs for adults and school dropouts to complete their secondary school education, in coordination, to the extent practicable, with activities authorized under the Adult Education and Family Literacy Act;
13. providing assistance to individuals, who have participated in services and activities under this title, in continuing the individuals' education or training or finding appropriate jobs, such as through referral to the system established under section 121 of the Public Law 105-220;
14. developing valid and reliable assessments of technical skills;
15. developing and enhancing data systems to collect and analyze data on secondary and postsecondary academic and employment outcomes;
16. improving –
 - a. the recruitment and retention of CTE teachers, faculty, administrators, and career guidance and academic counselors, including individuals in groups underrepresented in the teaching profession; and
 - b. the transition to teaching from business and industry, including small business; and
17. support for occupational and employment information resources.

“Pass Through” to Eligible Recipients

Pursuant to section 112(a)(1) of Perkins, at least 85 percent of a state’s Perkins grant must be distributed to eligible recipients. The funds are distributed through a formula described in the Perkins statute and discussed in more detail in *Allocation of Federal Funds* section. (PED does take advantage of the optional reserve which allows PED to reserve up to 10 percent of the 85 percent for uses consistent with section 135 (local uses of funds) but which may be allocated outside of the section 131 (distribution of funds for secondary education programs) formula. The reserve is explained in more detail in the next section.)

As required by section 135(d) of the Perkins Act, a recipient may not use more than 5 percent of its subgrant for administrative expenditures. Regardless of the recipients approved indirect cost rate, the maximum of approved administrative expenditures shall not exceed the 5 percent allowable cap. The remaining 95 percent must be spent on activities that are consistent with section 135 (local uses of funds).

Pursuant to the Act, a local educational agency’s formula allocation must meet a minimum of \$15,000. If that minimum is not reached, generally funds may not be allocated to the LEA. However, LEAs may enter into a consortium for the purposes of meeting the statutory minimum, but they must be able to demonstrate the ability to implement a program of sufficient size, scope and quality to be effective. When entering into a consortia, recipients must share the funding provided pursuant to an approved application, and cannot subgrant the award.

Use of Funds at the Local Level

This section discusses the specific uses of funds for which an eligible recipient is authorized to spend its Perkins allocation, and how much must be spent towards each use.

Administration

As required by Perkins section 135(d), a recipient may not use more than 5 percent of its subgrant for administrative expenditures. Administrative activities are those activities necessary for the proper and efficient performance of the eligible recipient’s duties under Perkins, including the supervision of such activities. *See Perkins, Section 3(1)*. Administrative activities do not include curriculum development, personnel development, or research activities. Any cost that supports the management of the Perkins program is administrative in nature. Examples of allowable administrative costs include, but are not limited to, the salary costs associated with the development of the local application plan. Administrative costs must be tracked separately from program costs.

Program Activities

The remaining 95 percent of a recipient's subgrant must be spent on activities that are consistent with section 135 (local uses of funds). Pursuant to the Perkins statute, there are certain mandatory and permissive uses for the grant funds received by recipients.

Recipients are required to use Perkins funds to:

1. strengthen the academic and career and technical skills of students participating in CTE programs, by strengthening the academic and CTE components of such programs through the integration of academics with CTE programs through a coherent sequence of courses, such as career and technical programs of study to ensure learning in –
 - a. the core academic subjects; and
 - b. CTE subjects;
2. link CTE at the secondary level and CTE at the postsecondary level, including by offering the relevant elements of not less than 1 career and technical program of study;
3. provide students with strong experience in and understanding of all aspects of an industry, which may include work-based learning experiences;
4. develop, improve, or expand the use of technology in CTE, which may include –
 - a. training of CTE teachers, faculty, and administrators to use technology, which may include distance learning;
 - b. providing CTE students with the academic and career and technical skills (including the mathematics and science knowledge that provides a strong basis for such skills) that lead to entry into the technology fields; or
 - c. encouraging schools to collaborate with technology industries to offer voluntary internships and mentoring programs, including programs that improve the mathematics and science knowledge of students;
5. provide professional development programs that are consistent with the section 122 (State Plan) to secondary and postsecondary teachers, faculty, administrators, and career guidance and academic counselors who are involved in integrated CTE including –
 - a. in-service and pre-service training on –
 - i. effective integration and use of challenging academic and career and technical education provided jointly with academic teachers to the extent practicable;
 - ii. effective teaching skills based on research that includes promising practices;
 - iii. effective practices to improve parental and community involvement; and
 - iv. effective use of scientifically based research and data to improve instruction;
 - b. support of education programs for teachers of CTE in public schools and other public school personnel who are involved in the direct delivery of educational services to CTE students, to ensure that such teachers and personnel stay current with all aspects of an industry;
 - c. internship programs that provide relevant business experience; and

- d. programs designed to train teachers specifically in the effective use and application of technology to improve instruction;
- 6. develop and implement evaluations of the CTE programs carried out with funds under this title, including an assessment of how the needs of special populations are being met;
- 7. initiate, improve, expand, and modernize quality CTE programs, including relevant technology;
- 8. provide services and activities that are of sufficient size, scope, and quality to be effective; and
- 9. provide activities to prepare special populations, including single parents and displaced homemakers who are enrolled in CTE programs, for high-skill, high-wage, or high-demand occupations that will lead to self-sufficiency.

It is USDE's Office of Career, Technical and Adult Education's (OCTAE's)¹ policy that while a recipient must demonstrate that they are complying with all mandatory uses, the recipient does not have to use federal Perkins funds to satisfy all required uses. See OCTAE Non-Regulatory Guidance, version 1.0, Question D.11 (January 9, 2007), available online at the USDE's Perkins Collaborative Resource Network (PCRN) website at: <http://cte.ed.gov/docs/nonregulatory/answers.pdf>.

As long as all required uses are being addressed, a recipient may use Perkins funds for the following permissive uses:

- 1. to involve parents, businesses, and labor organizations as appropriate, in the design, implementation, and evaluation of CTE programs authorized under this title, including establishing effective programs and procedures to enable informed and effective participation in such programs;
- 2. to provide career guidance and academic counseling, which may include information described in section 118, for students participating in CTE programs, that –
 - a. improves graduation rates and provides information on postsecondary and career options, including baccalaureate degree programs, for secondary students, which activities may include the use of graduation and career plans; and
 - b. provides assistance for postsecondary students, including for adult students who are changing careers or updating skills;
- 3. for local education and business (including small business) partnerships, including for –
 - a. work-related experiences for students, such as internships, cooperative education, school-based enterprises, entrepreneurship, and job shadowing that are related to CTE programs;
 - b. adjunct faculty arrangements for qualified industry professionals; and
 - c. industry experience for teachers and faculty;
- 4. to provide programs for special populations;

¹ USDE's Office of Vocational and Adult Education (OVAE) changed its name to the Office of Career, Technical and Adult Education (OCTAE) in the spring of 2014.

5. to assist career and technical student organizations;
6. for mentoring and support services;
7. for leasing, purchasing, upgrading or adapting equipment, including instructional aids and publications (including support for library resources) designed to strengthen and support academic and technical skill achievement;
8. for teacher preparation programs that address the integration of academic and career and technical education and that assist individuals who are interested in becoming CTE teachers and faculty, including individuals with experience in business and industry;
9. to develop and expand postsecondary program offerings at times and in formats that are accessible for students, including working students, through the use of distance education;
10. to develop initiatives that facilitate the transition of sub-baccalaureate CTE students into baccalaureate degree programs, including –
 - a. articulation agreements between sub-baccalaureate degree granting CTE postsecondary educational institutions and baccalaureate degree granting postsecondary educational institutions;
 - b. postsecondary dual and concurrent enrollment programs;
 - c. academic and financial aid counseling for sub-baccalaureate CTE students that informs the students of the opportunities for pursuing a baccalaureate degree and advises the students on how to meet any transfer requirements; and
 - d. other initiatives –
 - i. to encourage the pursuit of a baccalaureate degree; and
 - ii. to overcome barriers to enrollment in and completion of baccalaureate degree programs, including geographic and other barriers affecting rural students and special populations;
11. to provide activities to support entrepreneurship education and training;
12. for improving or developing new CTE courses, including the development of new proposed career and technical programs of study for consideration by the eligible agency and courses that prepare individuals academically and technically for high-skill, high-wage, or high-demand occupations and dual or concurrent enrollment opportunities by which CTE students at the secondary level could obtain postsecondary credit to count towards an associate or baccalaureate degree;
13. to develop and support small, personalized career-themed learning communities;
14. to provide support for family and consumer sciences programs;
15. to provide CTE programs for adults and school dropouts to complete the secondary school education, or upgrade the technical skills, of the adults and school dropouts;
16. to provide assistance to individuals who have participated in services and activities under this Act in continuing their education or training or finding an appropriate job, such as through referral to the system established under section 121 of the Workforce Investment Act (Establishment of one-stop delivery systems);
17. to support training and activities (such as mentoring and outreach) in nontraditional fields;
18. to provide support for training programs in automotive technologies;

19. to pool a portion of such funds with a portion of funds available to not less than 1 other eligible recipient for innovative initiatives, which may include –
 - a. improving the initial preparation and professional development of CTE teachers, faculty, administrators, and counselors;
 - b. establishing, enhancing, or supporting systems for –
 - i. accountability data collection under this Act; or
 - ii. reporting data under this Act;
 - c. implementing career and technical programs of study as described in the State Plan; or
 - d. implementing technical assessments; and
20. to support other CTE activities that are consistent with the purposes of this Act.

Basic Grant Application for Local Eligible Recipients

Pursuant to the Perkins statute, in order for a local eligible recipient to be allocated Perkins grant funds, the eligible recipient must submit a Basic Grant Application that must be approved by New Mexico Public Education Department (PED) College and Career Readiness Bureau (CCRB).² A Basic Grant Application is submitted by the recipients on a yearly basis through an online portal. An approved Basic Grant Application constitutes an agreement between the recipient and PED as to how the recipient will spend its Perkins award.

Basic Grant Applications

Generally, the Basic Grant Application includes narrative descriptions of how each recipient's CTE program will be carried out with Perkins grant funds, how CTE activities will be carried out with respect to meeting state and local adjusted levels of performance, how professional development will be provided, the process for evaluation and continuous improvement of performance, and how special populations will not be discriminated against, in addition to other relevant areas. The Basic Grant Application addresses programs of study and provides separate budget sheets to be tailored for each program of study. There is also a "Common to All" section and budget which details activities that are not assignable to one specific program of study.

Local eligible recipients must submit a Basic Grant Application as required by the Perkins statute and in accordance with the State Plan for career and technical education. Local Advisory Committees must actively participate in developing the local plan as well. The career clusters and pathways to be provided by the local eligible recipient must be planned in collaboration with local industry partners to address local, regional, and state employment and economic development opportunities.

² Please note that PED and CCRB may be used interchangeably in this manual.

Typically near the start of the calendar year in January, the CTE Directors of eligible recipients who are in charge of various CTE programs at the local level attend a Carl D. Perkins Application Workshop to assist local eligible recipients with developing Basic Grant Applications. During the workshop, PED staff provide presentations on the grant application process, Perkins performance data, action plans, and relevant timelines.

The Basic Grant Application contains a list of assurances that must be signed by the district superintendent or the postsecondary chief executive officer (CEO), or other appropriate official. By signing these assurances, the local recipients indicate an understanding that they will be held accountable on Compliance Reviews for meeting the nine required uses of funds found in section 135(b) of the Perkins Act. **Thus, local recipients of Perkins funds must maintain evidence that funding is being used to meet the nine required uses found in section 135(b) to be provided during monitoring or technical assistance sessions.** *The nine required uses of funds and the twenty permissive uses of funds are discussed in the Use of Funds at the Local Level section.*

The Perkins Award and Basic Grant Application Review Process

The Basic Grant Application process begins in January when the electronic application is released. Electronic applications are due by April 1, or an alternative date specified by the CCRB, and must be submitted online and a complete hard copy with all original signatures must be mailed to the Director of CCRB. Late applications will not be accepted.

CCRB's Education Administrators review submitted applications on a rolling basis and strive to evaluate the application within 30 business days. Generally, Education Administrators are assigned to review applications from specific regions. The Basic Grant Evaluation Rubric is used to review and evaluate the applications. The rubric includes spaces for the evaluators to affirmatively indicate whether the application, responses and revisions (if applicable) are accepted and therefore meets requirements. The rubric also includes a section to review programs of study and applicable criteria described in the application, as well as provide a space to mark whether the application is substantially approvable. The rubric includes the reviewer's contact information. The Basic Grant Evaluation Rubric can be found at: http://www.ped.state.nm.us/ped/CCR_perkins.html.

Once the application has been reviewed and the rubric has been completed, the Education Administrator sends the rubric to the eligible recipient's Project Director or point of contact to discuss necessary revisions. The Education Administrator and the Project Director then schedule a telephone conference to review and discuss the application and rubric. Applicants may make necessary revisions to the electronic applications until July 1 and must send the revisions to CCRB for approval. Through this process, the CCRB works with eligible recipients to ensure applications are in substantially approvable form by July 1 in order to gain approved budget authority. *More information substantially approvable applications is available in the Substantially Approvable Applications section.*

Timeline of Perkins Award and Review Process

The following timeline details the important dates for the Basic Grant Application and review process:

January: Application Workshop

Eligible recipients attend the Carl D. Perkins Application Workshop to learn about the grant application process, timelines and performance data/action plans, as well as attend other necessary training sessions on the Perkins grant.

January (Mid-month): Electronic Basic Grant Application Released

The electronic application is released online.

April 1: Applications Due

The Basic Grant Application is due by April 1, or an alternative date specified by the CCRB, which may be done to accommodate a weekend. No late submissions will be accepted.

February 1 – April 30: Applications Reviewed on Rolling Basis

CCRB strives to have all applications reviewed within 30 business days.

February 1 - Revisions to Applications

Applicants must make necessary revisions to the application and submit them to the CCRB Project Monitor prior to July 1. An application must be in substantially approvable form prior to approval of the budget.

March 1 – June 1: Budget Submissions

Applicants must submit budgets using Operating Budget Management System (OBMS) to the Administrative Service Division. Final Budget Authorization will not be released until the applications are substantially approvable.

Note, recipients that do not budget their award during this budget submission period must wait to establish budget authority after July 1 when the new state fiscal year starts. Budgets entered after July 1 may be delayed as awards must be approved by the local board of education. Scheduling of board or governance meetings will impact the date at which the recipient can use Perkins funds.

April 15 – Receive Tentative Allocation (Planning Amount)

By April 15, all local eligible recipients will receive an estimated tentative allocation online through the PED's Administrative Services Division Website which is found at <http://ped.state.nm.us/ped/AdminServicesDivIndex.html>. PED tentatively allocates to recipients 90 percent of their prior year final allocation and posts this amount on OBMS to allow the local recipients to prepare their budgets. An award amount will be estimated for those institutions that did not receive an allocation in the prior year. The amount will be estimated based on the prior year eligibility.

June 25: Budget Adjustment Requests

By June 25, all approaching school year initial budget requests should be submitted through OBMS. CCRB Perkins monitors and PED fiscal staff will either approve or disapprove such budget requests. If the initial budget is disapproved, the recipient must resubmit a revised budget request within the budget submission window. If the recipient cannot resubmit a revised budget request within the budget submission window, the recipient may submit an initial budget adjustment after July 1. These processes are to allow for initial budget authority (only if substantial approval has been achieved on the local application).

July 1: Approved Budget Authority & Notification of Substantially Approvable Application

On July 1, only local recipients that receive approved budget authority are those that have an application in substantially approvable form and the local recipient can obligate for allowable Perkins expenditures. Recipients may sign into OBMS to see the approved award amount. It is possible that eligible recipients will see that zero funds have been allocated, which means that the application has not been approved and therefore, the budget was not approved. However, this rarely occurs because PED provides timely technical assistance to eligible recipients to help ensure they receive approved budget authority by July 1. If a plan is not substantially approvable, the local applicant *cannot* be reimbursed for Perkins expenditures even if those expenditures are otherwise allowable.

October: Formal Notification of Final Award

In October PED will send recipients notification of their final Perkins award. Once final approval of the budget in OBMS and of the local application is fully approved received, the recipient may begin to receive reimbursements for obligations of Perkins funds. Any remaining Perkins funds allocated to recipients for the prior year (also known as redistribution) will be released in accordance with the timeline established by PED for carryover allocations of other federal funds. CCRB requires a unique application to access the redistribution which requires grantees to expend such funds to address areas of deficiency in performance. An application for redistribution funds is available through the CCRB web-page.

Nonfictions for redistribution of prior year un-used funds occurs in the later winter/early spring of each calendar year. An allocation letter is provided to each eligible institutions as determined by formula, and a grant application is provided.

Substantially Approvable Applications

Pursuant to EDGAR section 76.708, PED may allow a recipient who has submitted a “substantially approvable application” to begin to obligate funds even though the recipient’s local application may not be finally approved. Once the recipient receives approved budget authority, the recipient’s application is “substantially approvable” and the recipient may begin to obligate funds. The recipient’s grant award, however, will not be issued until the Basic Grant

Application has received final approval. Any obligation incurred by a recipient that is determined to be outside of the approved budget may not be reimbursed with Perkins funds.

Budget Adjustment Request Process

PED allows for two types of budget adjustments. Adjustments may be made to account for an increase or decrease in the recipient's allocation or to amend expenditures within or between categories (Transfer BARs). Details and distinctions regarding both types of adjustments are discussed below.

Prior to submitting either type of budget adjustment request, the recipient must receive official approval from the school board, district, school, fiscal department or other applicable entity with approval authority as appropriate. Recipients must provide PED with notice through OBMS of this approval, including the date of the approval meeting and the approved adjustment in the OBMS system when a budget adjustment request is initiated. At any point in the adjustment review process, PED staff can determine the status of the request by conducting a query in OBMS by looking up the recipient's fund number and reviewing the recipient's Action Screen. Program of Study (application) budgets must be revised to align t OBMS budget adjustments, and are reviewed/approved by CCRB program staff.

Budget Adjustments Due to an Increase or Decrease in Allocation

Because recipients receive a tentative allocation initially, recipients typically must adjust their budgets after receiving their final grant award. To amend a budget, the recipient must create a Budget Adjustment Request (BAR) in OBMS.

Once a BAR is submitted, it goes through four levels of review. First, it is reviewed by a Program Manager in the program office (i.e., a Program Manager in CCRB) for compliance with the recipient's application and program rules. When the program office approves the BAR, an email notification is sent to Fiscal Grants Management that the BAR is ready for additional review. The second through fourth levels of review are conducted by the Fund Analyst, Fund Supervisor, and Fiscal Director, respectively, in the Federal Grants Management office. During these reviews, staff ensure there is a current signed award letter and review the revenue source to ensure the proper account code is used. At any point in the review process, the PED employee may begin a dialogue with the recipient to learn more about the BAR by using the "Information Request" section of OBMS.

If the BAR is approved, formal notification is sent through OBMS. If the BAR is disapproved, the request is no longer in consideration. The recipient will receive a notification email that the BAR was disapproved and that further information about the disapproval is available in OBMS. The reason for disapproval and the contact information of the PED employee who disapproved the BAR will be noted in OBMS so that the recipient may contact PED directly if needed.

Generally, all BARs due to an allocation change must be submitted before July 1. There are no limits on how many BARs recipients may submit.

Maintenance and Transfer BARs - Budget Adjustments Within or Between Categories

After the budget receives final approval, recipients may submit a Maintenance BAR in OBMS if the requested amendment is within the same function or category of the budget (e.g., if the amendment is related to expenditures within the administration category). Maintenance BARs do not require PED approval.

After the budget receives final approval, recipients may submit a Transfer BAR in OBMS if the requested amendment is between different functions or categories. Transfer BARs require PED review and approval.

If a Transfer BAR is submitted, a review is conducted at the program level to compare the request to the recipient's application and to ensure that the recipient can still meet the requirements of the approved application. If there are questions or concerns about the Transfer BAR, the PED may start a dialogue with the recipient via email, phone or through the Information Request section of OBMS.

There are no limits to how many Transfer BARs recipients may submit.

Fiscal Grants Management: Compliance with Federal Requirements

Education Department General Administrative Regulations (EDGAR) and the Uniform Grant Guidance

On December 26, 2013, the Office of Management and Budget (OMB) published the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* written by the Council on Financial Assistance Reform (COFAR). The grant reform consolidates eight OMB circulars including key cost circulars covering the federal cost principles (A-87, A-21, A-122), the federal administrative rules (A-110, A-102) codified in EDGAR Parts 74 and 80, and federal audits (A-133 and part of A-50 regarding Single Audit Requirements).

This new circular is frequently referred to as the Uniform Grant Guidance or Uniform Guidance (previously it was referred to as the Omni Circular or Super Circular). Per the Uniform Grant Guidance, the U.S. Department of Education (USDE) codified these requirements into EDGAR at 2 CFR Part 200 in December 2014. The Uniform Grant Guidance requirements apply to all new funds awarded on or after December 26, 2014. The effective date of the Uniform Grant Guidance for subawards is the same as the effective date of the federal award from which the subaward is made. Please consult the Grant Award Notice (GAN) as federal agencies and pass-

through entities are required to specify whether the Uniform Grant Guidance applies in the GAN.

Fiscal Grants Management Compliance

There are certain federal fiscal grants management requirements that apply to all grants generated by USDE, including the Perkins grant. These requirements can be found in EDGAR and its incorporation of the recently issued Uniform Grant Guidance. PED and recipients must comply with all aspects of the Perkins statute, and must also comply with all applicable EDGAR and Uniform Grant Guidance requirements. This section of the manual references the new applicable EDGAR requirements at 2 CFR Part 200 (which aligns with Uniform Grant Guidance requirements) and PED's processes for meeting them.

Financial Management System

Federal Requirements

A recipient of federal funds must have a financial management system in place to track the expenditure and accounting of federal grant funds. Certain fiscal controls and procedures must be in place to ensure that all financial management system requirements are met. Failure to meet a requirement may result in having to return federal funds to the awarding agency or termination of the award.

Standards for financial management systems are located at 2 C.F.R. § 200.302.

Under these requirements, PED must expend and account for federal funds, including Perkins funds, in accordance with state laws and procedures for expending and accounting for state funds. In addition, PED and the local recipient's financial management systems, including records documenting compliance with federal statutes, regulations, and the terms and conditions of the federal award, must be sufficient to allow required reports to be prepared and for the tracing of funds that have been used according to federal statutes, regulations and terms and conditions of the federal award.

Grantees and subgrantees must maintain source documentation for at least 5 years. Accounting records must be supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contract and subgrant award documents, etc.

Federal Cash Management Policy and Procedures

PED and all local recipients will comply with applicable methods and procedures for payment that minimize the time elapsing between the transfer of funds and disbursement, in accordance with the Cash Management Improvement Act at 31 CFR Part 205.

Generally, the local recipients will receive payment from PED on a reimbursement basis. However, in the rare occurrence that a recipient ever receives an advance in federal grant funds from the PED, the recipient will remit interest earned on the advanced payments deposited into interest-bearing accounts annually to the PED. In turn, the PED will reimburse the federal award. The recipient may retain interest amounts up to \$500 per year for administrative expenses.

According to USDE guidance, when calculating the interest earned on USDE grant funds, in any situation where the state (i.e., PED) draws from the G5 system in advance of the recipient using nonfederal funds to pay vendors and/or employees, the only events and dates that are relevant are: 1) the date on which the federal grant funds are drawn down by the State; and 2) the date on which those funds are disbursed by the recipient. Any interest earned on those funds while on-deposit in the recipient's bank account after drawdown and before disbursement must be included in the interest earned calculation, as required by federal regulations.

Financial Management/Accounting System Overview

PED and its subgrantees use the Operating Budget Management System (OBMS), an online system that provides financial management services, such as a budget management system, budget adjustment request (BAR) tracking system, actuals reporting system, reimbursement request system, grants management system, and data warehouse system. PED uses this system to submit budgets, track and trace budget items, and enhance reporting. OBMS notifies users of opened budgets, BAR/grant application releases, submission due dates and approval status. All recipients must ensure the proper disbursement of and accounting for Perkins funds.

Reimbursements

At the beginning of a grant year, PED loads its budget into this electronic system and each grant and funding source is coded so that it can be easily tracked. The CCRB program office sends its Request for Reimbursement to the Fiscal Grants Management office for approval. Once approved, Fiscal Grants Management produces vouchers for expenditures that are to be reimbursed, and sends it to the Department of Finance and Administration which produces checks for reimbursement using state funds from PED's subaccount within New Mexico's own state account. Thus, when DFA disburses funds, it is coming from PED's subaccount of general funds. The Audit and Accounting Bureau checks the system on a timely routine basis and draws the approved reimbursement voucher amount(s) from the federal G5 system's appropriate funding stream and uses the federal funds to reimburse the initial the state-funds expended for Perkins purposes. For example, the Audit and Accounting Bureau draws Perkins funds from the G5 system to reimburse state funds deposited into local recipient's bank accounts for allowable Perkins expenditures.

Only local recipients who establish budget authority prior to expending funds may be reimbursed for allowable expenditures. Twice a month, local recipients submit Requests for

Reimbursement (RfR) using OBMS to CCRB. All RfRs must be accompanied by supporting documentation. CCRB staff conduct an allowability review that includes, but is not limited to, ensuring compliance with federal laws, regulations and cost principles including Perkins, EDGAR, and Uniform Grant Guidance requirements. Within 15 business days, the CCRB will approve or deny the RfR. If approved, CCRB sends the RfR to the Fiscal Grants Management office electronically.

At Fiscal Grants Management, the RfR is reviewed to ensure the expenditure(s) complies with state law and aligns with the approved budget. However, it is within Fiscal Grants Management's discretion to conduct a more detailed allowability review if necessary. Fiscal Grants Management determines whether to conduct a detailed review based on the RfR's history, including dialogue and comments between CCRB staff and the local recipient in the Information Request section of OBMS. Fiscal Grants Management usually reviews and approves RfRs within 5 business days and prepares a payment voucher that is sent to DFA to reimburse the local recipients directly using state funds. DFA ensures there is an original signature on the RfR from Fiscal Grants Management and that the recipient established budget authority. Once approved by DFA (typically within 5 business days), DFA releases state funds electronically to the recipient's bank depository. These funds are released from PED's subaccount of general funds within New Mexico's own state account. All local recipients must have bank depository information on file with the DFA, including signed forms approving the release of funds to the bank depository, signed by the Chief Financial Officer, and the bank name and account number.

On a monthly basis, the Audits and Accounting Bureau performs a reconciliation between PED's general ledger and the federal G5 system to determine the amount of any reimbursements. The Audits and Accounting Bureau then draws the approved reimbursement voucher amount(s) processed by the DFA from the appropriate funding stream in the G5 system (identified by the Project ID code), and uses the federal funds to reimburse the initial state-funds used for local reimbursement. For example, the Audit and Accounting Bureau draws Perkins funds from the G5 system to reimburse state funds deposited into local recipient's bank accounts for allowable Perkins expenditures. Thus, within New Mexico's accounting system, allowable Perkins expenditures are charged, collected, and reported against federal funds.

Please contact Eric Spencer, CCRB Director, at Eric.Spencer@state.nm.us or 505-827-6420 if there are additional questions regarding cash management requirements.

Basic Cost Principles

Determining Allowability of Costs

Expenditures must be aligned with approved budgeted items. Any changes or variations from the state-approved budget and grant application need prior approval from PED.

When determining how the recipient will spend its grant funds, personnel will review the proposed cost to determine whether it is an allowable use of federal grant funds *before* obligating and spending those funds on the proposed good or service. All costs supported by federal funds must meet the general standards and cost principles outlined in 2 C.F.R. Part 200, Subpart E, which are provided in the bulleted list below. CCRB and local recipients must consider these factors when making an allowability determination. *Additional helpful questions to ask when making allowability determinations are located in the Helpful Questions for Determining Whether a Cost is Allowable section.*

- **Necessary for the administration or performance of the federal award.**

While 2 C.F.R. Part 200 does not provide specific descriptions of what satisfies the “necessary” element, necessary is determined based on the needs of the program. Specifically, the expenditure must be necessary to achieve an important program objective. A key aspect in determining whether a cost is necessary is whether the district can demonstrate that the cost addresses an existing need, and can prove it. For example, a recipient may deem a career skills software program necessary for a Perkins program.

When determining whether a cost is necessary, consideration may be given to:

- Whether the cost is needed for the proper and efficient performance of the grant program.
- Whether the cost is identified in the approved budget or application.
- Whether there is an educational benefit associated with the cost.
- Whether the cost aligns with identified needs based on results and findings from a needs assessment.
- Whether the cost addresses program goals and objectives and is based on program data.

- **Reasonable for the performance of the federal award.**

Local recipient staff must consider these elements when determining the reasonableness of a cost. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision to incur the cost was made. For example, reasonable means that sound business practices were followed, and purchases were comparable to market prices.

When determining reasonableness of a cost, consideration must be given to:

- Whether the cost is a type generally recognized as ordinary and necessary for the operation of the recipient or the proper and efficient performance of the federal award.
- The restraints or requirements imposed by factors, such as: sound business practices; arm’s-length bargaining; federal, state and other laws and regulations; and terms and conditions of the federal award.
- Market prices for comparable goods or services for the geographic area.

- Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the recipient, its employees, its students, the public at large, and the federal government.
 - Whether the recipient significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the federal award's cost.
- **Allocable to the federal award.**
A cost is allocable to the federal award if the goods or services involved are chargeable or assignable to the federal award in accordance with the relative benefit received. This means that the federal grant program derived a benefit in proportion to the funds charged to the program.
- **Legal under state and local laws and regulations.**
- **Consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the recipient.**
- **Conform to any limitations or exclusions set forth as cost principles in 2 C.F.R. Part 200 or in the terms and conditions of the federal award.**
- **Consistent treatment.**
A cost cannot be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been assigned as an indirect cost under another award.
- **Adequately documented.**
All expenditures must be properly documented.
- **Be determined in accordance with general accepted accounting principles (GAAP), unless provided otherwise in 2 C.F.R. Part 200.**
- **Not included as a match or cost-share, unless the specific federal program authorizes federal costs to be treated as such.**
Some federal program statutes require the nonfederal entity to contribute a certain amount of nonfederal resources to be eligible for the federal program.
- **Be the net of all applicable credits.** The term "applicable credits" refers to those receipts or reduction of expenditures that operate to offset or reduce expense items allocable to the federal award. Typical examples of such transactions are: purchase discounts; rebates or allowances; recoveries or indemnities on losses; and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or

received by the state relate to the federal award, they shall be credited to the federal award, either as a cost reduction or a cash refund, as appropriate.

Cost guidelines at 2 C.F.R. Part 200 must be considered when federal grant funds are expended. As provided above, federal rules require state- and local-level requirements and policies regarding expenditures to be followed as well. For example, state and/or local policies relating to travel or equipment may be more restrictive than the federal rules. The stricter state and/or local policies must be followed.

Specific Items of Cost

The allowability of 55 specific cost items (commonly referred to as Selected Items of Cost) are examined at 2 CFR §§ 200.420-200.475. These cost items are listed in the chart below along with the applicable citation. Please do not assume that an item is allowable because it is specifically listed; it may be unallowable despite its inclusion in the selected items of cost section. The expenditure may be unallowable for a number of reasons, including: the express language of the provision states the item is unallowable; the terms and conditions of the grant deem the item unallowable; or state/local restrictions dictate that the item is unallowable. The item may also be unallowable because it does not meet one of the cost principles identified above. If an item is unallowable for any of these reasons, federal funds cannot be used to purchase it.

Personnel responsible for spending federal grant funds and for determining allowability must be familiar with the selected items of cost located at 2 C.F.R. Part 200. The local recipient must follow these rules when charging these specific expenditures to a federal grant. When applicable, local recipient staff must check costs against the selected items of costs requirements to ensure the cost is allowable. In addition, state, local and program-specific rules may deem a cost as unallowable and personnel must follow those nonfederal rules as well.

The selected items of cost addressed in 2 C.F.R. Part 200 include the following (in alphabetical order):

Item of Cost	Citation of Allowability Rule
Advertising and public relations costs	2 CFR § 200.421
Advisory councils	2 CFR § 200.422
Alcoholic beverages	2 CFR § 200.423
Alumni/ae activities	2 CFR § 200.424
Audit services	2 CFR § 200.425
Bad debts	2 CFR § 200.426
Bonding costs	2 CFR § 200.427
Collection of improper payments	2 CFR § 200.428

Commencement and convocation costs	2 CFR § 200.429
Compensation – personal services	2 CFR § 200.430
Compensation – fringe benefits	2 CFR § 200.431
Conferences	2 CFR § 200.432
Contingency provisions	2 CFR § 200.433
Contributions and donations	2 CFR § 200.434
Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements	2 CFR § 200.435
Depreciation	2 CFR § 200.436
Employee health and welfare costs	2 CFR § 200.437
Entertainment costs	2 CFR § 200.438
Equipment and other capital expenditures	2 CFR § 200.439
Exchange rates	2 CFR § 200.440
Fines, penalties, damages and other settlements	2 CFR § 200.441
Fund raising and investment management costs	2 CFR § 200.442
Gains and losses on disposition of depreciable assets	2 CFR § 200.443
General costs of government	2 CFR § 200.444
Goods and services for personal use	2 CFR § 200.445
Idle facilities and idle capacity	2 CFR § 200.446
Insurance and indemnification	2 CFR § 200.447
Intellectual property	2 CFR § 200.448
Interest	2 CFR § 200.449
Lobbying	2 CFR § 200.450
Losses on other awards or contracts	2 CFR § 200.451
Maintenance and repair costs	2 CFR § 200.452
Materials and supplies costs, including costs of computing devices	2 CFR § 200.453
Memberships, subscriptions, and professional activity costs	2 CFR § 200.454
Organization costs	2 CFR § 200.455
Participant support costs	2 CFR § 200.456
Plant and security costs	2 CFR § 200.457
Pre-award costs	2 CFR § 200.458

Professional services costs	2 CFR § 200.459
Proposal costs	2 CFR § 200.460
Publication and printing costs	2 CFR § 200.461
Rearrangement and reconversion costs	2 CFR § 200.462
Recruiting costs	2 CFR § 200.463
Relocation costs of employees	2 CFR § 200.464
Rental costs of real property and equipment	2 CFR § 200.465
Scholarships and student aid costs	2 CFR § 200.466
Selling and marketing costs	2 CFR § 200.467
Specialized service facilities	2 CFR § 200.468
Student activity costs	2 CFR § 200.469
Taxes (including Value Added Tax)	2 CFR § 200.470
Termination costs	2 CFR § 200.471
Training and education costs	2 CFR § 200.472
Transportation costs	2 CFR § 200.473
Travel costs	2 CFR § 200.474
Trustees	2 CFR § 200.475

Likewise, it is possible for the state and/or district to put additional requirements on a specific item of cost. Under such circumstances, the stricter requirements must be met for a cost to be allowable. Accordingly, employees must consult federal, state and district requirements when spending federal funds. For example, the state's travel rules are more restrictive than federal rules, which means the state's policies must be followed.

In order for a cost to be allowable, the expenditure must also be allowable under the applicable program statute (e.g., the Perkins Act), along with accompanying program regulations, non-regulatory guidance and grant award notifications.

The state and/or district rules related to some specific cost items are discussed below. Recipient employees must be aware of these state and local rules and ensure they are complying with these requirements.

Direct and Indirect Costs

Determining Whether a Cost is Direct or Indirect: Direct costs are those costs that can be identified specifically with a particular final cost objective, such as a federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy. 2 C.F.R. § 200.413(a). Indirect costs are those that have been incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without

effort disproportionate to the results achieved. 2 C.F.R. § 200.56. Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect costs. 2 C.F.R. § 200.413(a).

Identification with the Federal award rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect costs of Federal awards. Typical costs charged directly to a Federal award are the compensation of employees who work on that award, their related fringe benefit costs, the costs of materials and other items of expense incurred for the Federal award. 2 C.F.R. § 200.413(b). The salaries of administrative and clerical staff should normally be treated as indirect costs. Direct charging of these costs may be appropriate only if all of the following conditions are met:

- Administrative or clerical services are integral to a project or activity;
- Individuals involved can be specifically identified with the project or activity;
- Such costs are explicitly included in the budget or have the prior written approval of the federal awarding agency; and
- The costs are not also recovered as indirect costs. 2 C.F.R. § 200.413(c).

Applying the Indirect Cost Rate: Perkins is subject to a restricted indirect cost rate because it contains a supplement not supplant provision. 34 C.F.R. § 76.563. Once the subgrantee has an approved restricted indirect cost rate, the percentage is multiplied against the actual direct costs (excluding distorting items specified in the indirect cost rate agreement, such as equipment, subawards in excess of \$25,000, etc.) incurred under the Perkins subgrant to produce the dollar amount of indirect costs allocable to that award. 34 C.F.R. § 75.564; 34 C.F.R. § 76.569. Once the subgrantee applies the approved rate, the funds that are claimed for indirect costs have no federal accountability and may be used as if they were nonfederal funds.

As discussed above, Perkins has a 5 percent cap on the amount of administrative costs that may be charged to the subgrant. *See Perkins Section 135(d)*. Significantly, this cap includes both direct administrative charges and any recovered indirect charges. Therefore, a subgrantee's recovered indirect costs cannot exceed the administrative cap, or 5 percent of the award. If the subgrantee's indirect cost recovery is less than 5 percent of the award, the subgrantee may direct charge additional administrative costs up to the cap (5 percent).

Direct charges for administrative costs must meet the allowability requirements discussed in this section, such as necessary, reasonable, allocable and adequately documented, and must be explicitly identified in the budget.

[Helpful Questions for Determining Whether a Cost is Allowable](#)

In addition to the cost principles and standards described above, personnel can refer to this section for a useful framework when performing an allowability analysis. In order to determine

whether federal funds may be used to purchase a specific cost, it is helpful to ask the following questions:

- Is the proposed cost allowable under the relevant program?
- Is the proposed cost consistent with an approved program plan and budget?
- Is the proposed cost consistent with program specific fiscal rules?
- Is the proposed cost consistent with EDGAR, including requirements at 2 C.F.R. Part 200?
- Is the proposed cost consistent with special conditions imposed on the grant (if applicable)?

As a practical matter, consider whether the proposed cost is consistent with the underlying needs of the program. For example, program funds must benefit the appropriate population of students for which they are allocated.

Also, funds should be targeted to address areas of weakness, as necessary. To make this determination, personnel should review data when making purchases to ensure that federal funds to meet these areas of concern.

Use Funds to Address Areas of Deficiency

If a local recipient is found to be deficient in an area that needs improvement or fails to meet any of its accountability performance indicators, then the local recipient must use Perkins funds to address the deficiency in the next year. A local recipient failing to meet one or more performance indicator must create an improvement plan for remedying the deficiency based upon an analysis of their local data. Therefore, Perkins funds, including redistribution funds, must be used to address areas of deficiency.

Career and Technical Student Organizations

Generally, Perkins funds may not be used to support the lodging, feeding, conveying, or furnishing transportation to conventions or other forms of social assemblage for Career and Technical Student Organizations (CTSOs). See OVAE, Non-Regulatory Guidance, version 3.0, Question D.26 (May 28, 2009), available at <http://cte.ed.gov/perkinsimplementation/nrg.cfm>. Perkins funds may be used for lodging, providing food, or furnishing transportation, if the costs are (1) related to a CTSO that is an integral part of the curriculum, and (2) part of a larger program to serve special populations or nontraditional students as discussed under Direct Assistance to Special Populations.

PED supports CTSOs in accordance with OVAE's non-regulatory guidance, including *Questions and Answers Regarding the Implementation of the Carl D. Perkins Career and Technical*

Education Act of 2006 – Version 3.0 (issued May 28, 2009)³ available online at: <http://cte.ed.gov/docs/nonregulatory/PerkinsIVNon-RegulatoryGuidanceQAVersion3.0.pdf>

Timely Obligation of Funds

Obligation

An obligation occurs when funds are formally designated for a specific cost or expenditure.

The following table illustrates when funds are determined to be obligated under federal regulations.

If the obligation is for:	The obligation is made:
Acquisition of property	On the date the subgrantee makes a binding written commitment to acquire the property
Personal services by an employee of the subgrantee	When the services are performed
Personal services by a contractor who is not an employee of the subgrantee	On the date the subgrantee makes a binding written commitment to obtain the services
Public utility services	When the subgrantee receives the services
Travel	When travel is taken
Property rental	When the subgrantee uses the property

Period of Availability of Federal Funds

All obligations must occur on or between the beginning and ending dates of the grant project. *See generally EDGAR, Sections 76.703, 76.707, 76.708, 76.709.* While PED should plan to spend all current grant funds within the year the grant was appropriated for, the period of obligation for Perkins funds is 27 months, extending from July 1 of the fiscal year for which the funds were appropriated through September 30 of the second following fiscal year. This maximum period includes a 15-month period of initial availability, plus a 12-month period for the use of carryover funds. For example, funds from the fiscal year 2014 appropriation initially became available on July 1, 2014 and may be obligated through September 30, 2016. Any funds not obligated during the period of availability lapse and must be returned USDE.

The period of availability is different for eligible recipients. The obligation period for eligible recipients extends from July 1 to the following June 30. All obligations must be liquidated by September 30. Any funds (budget) not obligated or liquidated within the specified timeframe will be swept at the state level and redistributed to eligible entities in accordance with the provision specified in the Perkins Act

³ See OVAE non-regulatory guidance at D.26.

All Perkins funds not obligated by local recipients in the current grant year must be returned to the state for redistribution to local recipients pursuant to a separate approved redistribution application. Redistribution funds must be targeted for use in areas the local recipient failed to meet its performance measures or to address program improvement needs. Accordingly, redistribution funds may only be awarded to recipients who received awards in the prior grant award year.

Redistribution

All state administration or state leadership funds not obligated within the first 15 months are carried over and budgeted in the same set-aside for obligation within the coming 12 months. All carried over funds are subject to the same requirements as funds allocated in the current year.

According to the Perkins statute, any amount of pass through funding not obligated by the recipients within the initial 12-month of the grant period must be returned to PED (to be reallocated based on an award made pursuant to an approved separate redistribution application submitted by the local recipient).

PED's Accounting & Audit Bureau conducts weekly reconciliations of federal grant expenditures to draws within the G-5 system. Any reconciliation discrepancies are rectified through journal entries. The Fiscal Grants Management Bureau monitors federal grant activity in OBMS and compares to SHARE (state's accounting system) expenditure activity. Any reconciliation discrepancies are rectified through journal voucher entries in SHARE. Quarterly budget reviews are conducted between CCRB Bureau and ASD Budget Bureau on administrative and flow-through cost centers. Balances available for redistribution are determined during December through January of each year, conducive to the same calendar for calculation of other federal grants carryover.

The Audit and Accounting Bureau will use the first in, first out (FIFO) accounting method to ensure carried over redistribution funds are spent before the current year's allocation.

Payroll and Time Distribution

Time and Effort Documentation Requirements

All employees who are paid in full or in part with federal funds must keep specific documents to demonstrate the amount of time they spent on grant activities. See 2 C.F.R. § 200.430(i). This includes an employee whose salary is paid with state or local funds but is used to meet a

required “match” in a federal program. These documents, known as time and effort records, are maintained in order to charge the costs of personnel compensation to federal grants.

Charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- Be supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- Be incorporated into official records;
- Reasonably reflect total activity for which the employee is compensated, not exceeding 100 percent of compensated activities;
- Encompass both federally assisted and all other activities compensated by the nonfederal entity (i.e., PED or eligible recipient) on an integrated basis;
- Comply with the established accounting policies and practices of the nonfederal entity; and
- Support the distribution of the employee’s salary or wages among specific activities or costs objectives.

See 2 C.F.R. § 200.430(i).

For a nonfederal entity (i.e., PED or the eligible recipient) whose records do not meet these standards, USDE may require personnel activity reports, including prescribed certifications or equivalent documentation that support the required records. See 2 C.F.R. § 200.430(i)(8).

At this time, PED will maintain the current time and effort system which is compliant under the new federal requirements as it is “supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated.” The current system, as described below, is also compliant with the previous rules under the OMB Circulars and describes personnel activity report requirements.⁴

To ensure costs are allowable, all employees who are paid in full or in part with federal funds must keep specific documentation to demonstrate the amount of time they spent on federal grant activities is allocable or chargeable to the grant. This includes an employee whose salary is paid with state or local funds but is used to meet a required “match” in a federal program. Therefore, all employees paid with federal funds, whether part time or full time, and employees whose salaries are used for match purposes, must keep time distribution records, as further described below. These time distribution records are *in addition to* the standards for payroll documentation.

These documents, known as time and effort records, must be maintained in order for the PED and its subgrantees to charge the costs of employee salaries and benefits to federal grants,

⁴ As reference, the citations for the prior OMB Circular time and effort requirements are provided in footnotes where appropriate.

including the Perkins grant. If these policies are not complied with, PED staff and/or its subgrantees can be subject to disallowed costs and audit exceptions.

As mentioned above, PED is currently maintaining its time and effort system that aligns with the requirements of the previous rules for state and local governments (i.e., state departments of education and school districts) and institutions of higher education (IHEs). PED, its school districts and public schools, including charter schools, will continue to follow requirements that align with OMB Circular A-87, while IHEs will continue to follow requirements that align with OMB Circular A-21. Accordingly, entities must make certain that they follow the correct rules as outlined below.

State and Local Governments (including PED, school districts, and public schools)

General Time Distribution Requirements

All PED employees and school district employees paid in whole or in part with federal funds must keep time distribution records.

A semiannual certification is required of employees who spend 100% of their time working on a single cost objective. A monthly personnel activity report (PAR) is required of employees who split their time working on multiple cost objectives.

The costs of regular compensation paid to employees during periods of authorized absences from the job, such as for annual leave, sick leave, holidays, court leave, military leave, and other similar benefits, are allowable if: (a) they are provided under established written leave policies; (b) the costs are equitably allocated to all related activities, including federal awards; and, (c) the accounting basis (cash or accrual) selected for costing each type of leave is consistently followed by the governmental unit. *See* 2 C.F.R. § 200.431(a)-(b).

Cost Objectives

There are two types of certification documents used, depending on whether an employee works on a single cost objective or multiple cost objectives. A cost objective is defined as a program, function, activity, award, organizational subdivision, contract, work unit for which cost data are needed and for which costs are incurred. *See* 2 C.F.R. § 200.28. There may be several cost objectives under one grant program. Under a single grant program, in addition to tracking basic program service costs, a recipient must also track costs associated with all mandated set-asides, statutory caps, and statutory reservation amounts, which may include administration, school improvement, parental involvement, etc.

Perkins is not in itself a cost objective. The Perkins Act includes set-asides which are each their own cost objective. For example: state leadership activities or state administration are each a separate cost objectives. Each set-aside requires that the agency track specific cost information to ensure the funds are being spent in an allowable manner. Therefore, time and effort reports must reflect the amount of time the employee spent on each cost objective and not on the grant as a whole for allowability purposes.

Generally, an employee is considered to work on multiple cost objectives if he or she works on:

1. More than one federal award;
2. A federal award and a nonfederal award;
3. An indirect cost activity and a direct cost activity;
4. Two or more indirect cost activities which are allocated using different cost bases; or
5. An unallowable activity and a direct or indirect cost activity.⁵

However, if an employee spends a very brief amount of time working on a cost objective that is not part of his or her ordinary duties, the time can be considered to be *de minimus* and would not need to be captured as a separate cost objective in the time and effort records. See *The Montana Compact on Time Distribution: Working Draft Only*, at p. 8, Q11. This doctrine generally uses 5% as the limit, meaning that employees may work 5% or less on another cost objective without having to account for this time and documenting it in a PAR. Additionally, this *de minimus* amount of work cannot detract from the program intended to benefit from the employee's work.

Types of Time and Effort Documentation

Semiannual Certification

A semiannual certification is required of employees who spend 100% of their time working on a single cost objective.

A semiannual certification must be after-the-fact documentation that covers a period not to exceed 6 months. It must be signed by the employee or a supervisor with first-hand knowledge of the activity performed.⁶

Once the semiannual certification is completed, it must be submitted to the Audit and Accounting Bureau for filing and maintenance of records.

Personnel Activity Reports

Employees working on multiple cost objectives must maintain personnel activity reports (PARs). PARs must meet the following standards:

⁵ This rule aligns with the previous requirements at OMB Circular A-87, Attachment B, Section (8)(h)(4).

⁶ This rule aligns with the previous requirements at OMB Circular A-87, Attachment B, Section (8)(h)(3).

1. Reflect an after-the-fact distribution of the actual activity of each employee;
2. Account for the total activity for which each employee is compensated;
3. Prepared at least monthly and coincide with one or more pay periods; and
4. Signed by the employee.⁷

Additionally, all cost objectives must be reported in the PAR. Nonfederal cost objectives may be included as a single “nonfederal activities” cost objective.

Once the PAR is completed, it must be submitted to the Audit and Accounting Bureau for filing and maintenance of records.

Reconciliation

It is critical for payroll charges to match the actual distribution of time recorded on the semiannual certifications or PARs. Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to federal awards, but may be used for interim accounting purposes provided that the system for establishing the estimates produces reasonable approximations of the activity actually performed. *See* 2 C.F.R. § 200.430(i)(1)(viii).

At least quarterly, the agency must review the time distribution records and compare actual costs to budgeted distributions. When percentages of time are distributed differently than planned, modifications must be made to distribute the charges so they will match the actual time worked on each cost objective.

Adjustments may be recorded annually if (1) the quarterly comparisons show the differences between budgeted amounts and actual costs are less than ten percent. Otherwise, the budget estimates or other distribution percentages must be revised at least quarterly to reflect changed circumstances.⁸

Institutions of Higher Education (Colleges and Universities)

Payroll and Time Distribution Records

All institution of higher education (IHE) employees paid in whole or in part with federal funds must keep time distribution records. In addition, any employees who are paid with nonfederal funds and whose salary is used towards a match requirement must also keep time distribution records.

⁷ This rule aligns with the previous requirements at OMB Circular A-87, Attachment B, Section (8)(h)(5).

⁸ This rule aligns with the previous requirement at OMB Circular A-87, Attachment B, Section 8(h)(5)(e)(ii).

It is recognized that teaching, research, service, and administration are often inextricably intermingled in an academic setting. When recording salaries and wages charged to federal awards for IHEs, a precise assessment of factors that contribute to costs is therefore not always feasible, nor is it expected. See 2 C.F.R. § 200.430(i)(1)(x).

Employees may spend 100% of their time working on federal grant program activities or only a portion of their time working on a federal grant program. However, they may only be paid under a federal grant, or multiple federal grants, in proportion to the amount of time they worked on each grant activity.

All employees that work for an IHE who are charged directly to the federal grant must be budgeted and approved. Grantees may charge the grant program only the actual percentage of time worked on the grant program based on time and effort documentation.

The IHE must develop a system for distributing payroll costs to ensure equitable distribution of charges for employee's activities and that employees' direct activities are distinguished from their indirect activities.

Payroll Distribution System Requirements

A payroll distribution system must:

- Incorporate into official records of the institution;
- Reasonably reflect activity for which the employee is compensated by institution; and
- Encompass sponsored and all other activities on an integrated basis.

The data must be confirmed after-the-fact so that costs distributed represent actual costs, as follows:

- A payroll distribution system must allow confirmation of activity allocable to each sponsored agreement and cost objective and each of the categories of activity needed to identify facilities and administration (F&A) costs and the functions to which they are allocable.
- If F&A cost categories are not initially identified as separate categories, they may be subsequently distributed by any reasonable method mutually agreed to, including, suitably conducted surveys, statistical sampling procedures, or the application of negotiated fixed rates.
- A payroll distribution system may reflect categories of activities expressed as a percentage distribution of total activities.
- Direct and F&A charges may be made initially to sponsored agreements on the basis of estimates; when estimates are used, significant changes in the corresponding work activity must be identified and entered into the payroll distribution system (short term (one or two months) fluctuation between workload categories need not be considered).

- Independent internal evaluations to ensure the system’s effectiveness and compliance with the above standards.

If the above standards are met, the institution is not required to provide additional documentation for the effort actually performed.⁹

Examples of Acceptable Methods for Payroll Distribution

Plan Confirmation

The distribution of salaries and wages of professorial and professional staff applicable to sponsored agreements is based on budgeted, planned, or assigned work activity, updated to reflect any significant changes in work distribution, with the following standards:

- A system of budgeted, planned, or assigned work activity, encompassing both sponsored and all other activities on an integrated basis.
- Reasonably reflect only the activity for which the employee is compensated by the institution (compensation for incidental work need not be included), expressed as a percentage distribution of total activities.
- Reflect activity applicable to each sponsored agreement and to each category needed to identify F&A costs and the functions to which they are allocable.
- Provide for modification of an individual's salary or salary distribution commensurate with a significant change in the employee's work activity; whenever it is apparent that a significant change in work activity charged to sponsored agreements will occur, it must be documented over the signature of responsible official and entered into system.
- Verification that the work was performed, stating that salaries and wages charged to sponsored agreements as direct charges, and to residual, F&A cost or other categories are reasonable in relation to work performed (signed at least annually by employee, principal investigator or responsible official(s)).
- Independent internal evaluations to ensure the system's effectiveness and compliance with the plan’s standards.

If the above standards are met, the institution is not required to provide additional documentation for the effort actually performed.

After-the-Fact Activity Reports

Under this system, the distribution of salaries and wages by the institution must be supported by activity reports as follows:

⁹ These rules align with the previous requirements at OMB Circular A-21, Attachment J, Section 10(b)(2)(g).

- Activity reports must reflect the distribution of activity expended by employees covered by the system.
- Records reflect an after-the-fact reporting of the percentage distribution of activity of employees (charges may be made initially on the basis of estimates, provided that charges are promptly adjusted if significant differences are indicated by activity records).
- Reasonably reflect the activities for which employees are compensated by the institution using suitable means of verification that the work was performed (signed by the employee, principal investigator, or responsible official(s)).
- Reflect activity applicable to each sponsored agreement and cost objective and to each category needed to identify F&A costs and the functions to which they are allocable.

For professorial and professional staff, the reports must be prepared each academic term, but no less frequently than every six months. For other employees, unless alternate arrangements are agreed to, the reports must be prepared no less frequently than monthly and must coincide with one or more pay periods.

Where the institution uses time cards or other forms of after the fact payroll documents as original documentation for payroll and payroll charges, these documents shall qualify as records.

Multiple Confirmation Records

Under this system, the distribution of salaries and wages of professorial and professional staff must be supported by records, which certify separately for direct and F&A cost activities as follows:

- For employees covered by the system, there will be direct cost records to reflect the distribution of that activity expended which is to be allocable as direct cost to each sponsored agreement and F&A cost records to reflect the distribution of that activity to F&A costs; these records may be kept jointly or separately (but are to be certified separately).
- Salary and wage charges may be made initially on the basis of estimates made before the services are performed, provided that such charges are promptly adjusted if significant differences occur.
- Institutional records must reasonably reflect only the activity for which employees are compensated by the institution.
- Reflect activity applicable to each sponsored agreement and cost objective and to each category needed to identify F&A costs and the functions to which they are allocable.
- To confirm that distribution of activity represents a reasonable estimate of the work performed by the employee, the record for each period must include:

- The signature of the employee or person having direct knowledge of the work, confirming that the record of activities allocable as direct costs of each sponsored agreement is appropriate and,
- The record of F&A costs must include the signature of responsible person(s) who use suitable means of verification that the work was performed and is consistent with the overall distribution of the employee's compensated activities (signatures may all be on the same document).
- The reports must be prepared each academic term, but no less frequently than every six months.
- Where the institution uses time cards or other forms of after the fact payroll documents as original documentation for payroll and payroll charges, such documents shall qualify as records.

Time and Effort Documentation

While IHEs have three options for payroll distribution (aka time distribution records) PED is more restrictive and requires that IHEs use the “After the Fact Activity Records” method for tracking employees’ time on sponsored projects, unless prior approval is obtained to use an alternative method.

Accordingly, IHEs time distribution records must:

- Be prepared each academic term by professorial and professional staff.
- Be prepared monthly for all other employees.
- Be after the fact, or certified after the time period that the certification covers.
- Reasonably reflect the activities for which employees are compensated.
- Equal 100% of the time worked by the employee.
- Signed by either the employee or direct supervisor.
- Reflect activity applicable to each sponsored agreement and to each category needed to identify F&A costs and the functions to which they are allocable.

Time distribution records must be processed and filed in accordance with the IHE’s policies and procedures. PED, at any time, may request copies of the time distribution records and reconciliations to payroll statements. As such, all documentation must be readily available for external audit and review.

There is no mandatory form that must be used, provided the form used by the agency meets the requirements herein. A time and effort log may be used in lieu of a separate forms provided it meets the requirements herein. For guidance, IHEs may look at the semiannual certification (Attachment 1) or the personnel activity report (PAR) (Attachment 2) for guidance. While the IHE documents are not named “semiannual certifications” or “PARs” they are similar to the requirements for IHEs and could be used as a template.

Reconciliation

It is critical for payroll charges to match the actual distribution of time recorded on the time distribution records. Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to federal awards, but may be used for interim accounting purposes provided that the system for establishing the estimates produces reasonable approximations of the activity actually performed.

At least bi-annually, the agency must review the time distribution records and compare actual costs to budgeted distributions. When percentages of time are distributed differently than planned, modifications must be made to distribute the charges so they match the actual time worked on each cost objective.

Adjustments must be made by the end of each grant period or more regularly, as appropriate. Please contact Eric Spencer, CCRB Director, at Eric.Spencer@state.nm.us or 505-827-6420 if you have any questions regarding allowability requirements.

Requirements for PED as the Pass-Through Entity

The Uniform Grant Guidance at 2 C.F.R. Part 200, and incorporated into EDGAR, describes the required responsibilities of pass-through entities, such as PED. In accordance with these federal requirements, PED will ensure it carries out the responsibilities described in this section.

Required Information on Subawards

PED will ensure that every subaward, including subawards of Perkins funds to local recipients, is clearly identified to the local recipient as a subaward. PED will include the following information at the time of the subaward and if any of these data elements change, PED will include the changes in subsequent subaward modifications. When some of this information is not available, PED must provide the best information available to describe the federal award and subaward. The required information PED will share with its subrecipients includes:

1. Federal award identification.
 - Subrecipient name (which must match the registered name in DUNS);
 - Subrecipient's DUNS number (Data Universal Numbering System);
 - Federal Award Identification Number (FAIN);
 - Federal award date;
 - Subaward period of performance start and end date;
 - Amount of federal funds obligated by this action;
 - Total amount of federal funds obligated to the subrecipient;
 - Total amount of the federal award;
 - Federal award project description as required to be responsible to the Federal Funding Accountability and Transparency Act (FFATA);

- Name of the federal awarding agency, pass-through entity, and contract information for awarding official,
 - CFDA number and name - the pass-through entity must identify the dollar amount made available under each federal award and the CFDA number at the time of disbursement;
 - Identification of whether the award is R&D; and
 - Indirect cost rate for the federal award (including if the de minimis rate is charged).
2. All requirements imposed by PED, as the pass-through entity, on the subrecipient so that the federal award is used in accordance with federal statutes, regulations and the terms and conditions of the federal award.
 3. All additional requirements that PED, as the pass-through entity, imposes on the subrecipient in order for PED to meet its own responsibility to the federal awarding agency, including identification of any financial and performance reports;
 4. An approved federally recognized indirect cost rate negotiated between the subrecipient and the federal government, or, if no such rate exists, either a rate negotiated between PED and the subrecipient, or a de minimis indirect cost rate.
 5. A requirement that the subrecipient permit PED and auditors to have access to the subrecipient's records and financial statements as necessary for the PED to meet its requirements, including requirements related to audit responsibilities.

Evaluating Subrecipient's Risk

PED must evaluate each subrecipient's risk of noncompliance with federal statutes, regulations, and the terms and conditions of the subaward in order to determine the appropriate subrecipient monitoring.

PED may consider the following factors when determining the subrecipients risk of noncompliance. This is not a complete list, and PED may consider other appropriate factors.

- The subrecipient's prior experience with the same or similar subawards;
- The results of previous audits, including whether or not the subrecipient receives a Single Audit, and the extent to which the same or similar subaward has been audited as a major program;
- Whether the subrecipient has new personnel or new or substantially changed systems;
- College and Career Readiness School Grading outcomes; and
- The extent and results of federal awarding agency monitoring, if applicable.

Monitoring the Subaward

Depending on PED's assessment of risk posed by the subrecipient, PED may use the following monitoring tools to ensure proper accountability and compliance with program requirements and achievement of performance goals:

- Providing subrecipients with training and technical assistance on program-related matters;
- Performing on-site reviews of the subrecipient's program operations; and
- Arranging for agreed-upon procedures engagements.

PED must monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. PED's monitoring of the subrecipient *must* include:

- Reviewing financial and programmatic reports required by PED Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the federal award PED provided to the subrecipient through audits, on-site reviews, and other means.
- Issuing a management decision for audit findings pertaining to the federal award provided to the subrecipients.

Audit Verification

PED must verify that every subrecipient is audited when it is expected that the subrecipient's federal awards expended during the fiscal year equaled or exceeded the \$750,000 threshold set out in 2 C.F.R. § 200.501. The New Mexico State Auditor submits to the Audit & Accounting Bureau a list of district and state charters requiring audit submissions based on meeting or exceeding the \$750,000 threshold of federal awards expended. Accounting Bureau logs if audit is required.

Possible Adjustments to PED's Records

PED must consider whether the results of the subrecipient's audits, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to the PED's own records

Conditions on Subawards

PED may consider imposing specific subaward conditions on a subrecipient if appropriate. For example, PED may impose conditions on a local recipient's grant award if the recipient is found to be in noncompliance with programmatic or fiscal requirements. Conditions on the federal award may include:

- Requiring payments as reimbursements rather than advance payments;
- Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given period of performance;
- Requiring additional, more detailed financial reports;
- Requiring additional project monitoring;

- Requiring the subrecipient to obtain technical or management assistance; or
- Establishing additional prior approvals.

If PED imposes subaward conditions, it must notify the subrecipient of:

- The nature of the additional requirements;
- The reason why the additional requirements are being imposed;
- The nature of the action needed to remove the additional requirement, if applicable;
- The time allowed for completing the actions, if applicable; and
- The method for requesting reconsideration of the additional requirements imposed.

PED must promptly remove any special conditions once the conditions that prompted them have been corrected.

Enforcement Actions Against Noncompliant Subrecipients

PED must consider taking enforcement actions against noncompliant subrecipients. PED may impose remedies for noncompliance described in 2 C.F.R. Part 200 and in program regulations if PED determines that noncompliance cannot be remedied by imposing additional conditions. PED may take one or more of the following actions, as appropriate under the circumstances:

- Temporarily withhold cash payments pending correction of the subrecipient's deficiency or more severe enforcement action by PED.
- Disallow (i.e., deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
- Wholly or partly suspend or terminate the federal award.
- Initiate suspension or debarment proceedings.
- Withhold further federal awards for the project or program.

PED may also take other legally available remedies.

Please contact Eric Spencer, CCRB Director, at Eric.Spencer@state.nm.us or 505-827-6420 at if you have any questions regarding the contents of this manual.

NEW MEXICO PUBLIC EDUCATION DEPARTMENT

**Carl D. Perkins
Career and Technical Education Act 2006**

Policies and Procedures



**New Mexico Public Education Department
College and Career Readiness Bureau
January 2017**

300 Don Gaspar
Santa Fe, New Mexico 87501
505-827-6715

Policy Title	Policy#
Agency Objections To One or More Portions of the State Plan	2015-0100.1
Annual Performance Reports	2015-0200.1
Audit of Perkins Funds	2015-0300.1
Calculation of Funding Allocations	2016-0350.1
Criteria for Sufficient Size, Scope, and Quality	2015-0400.2
Development, Submission and Implementation of the State Plan	2015-0500.1
Evaluation of Performance Improvement Plan	2015-0600.2
Evaluation of the Program, Services and Activities Within the State Plan	2015-0700.1
Initial Allocation and Grant Management	2015-0800.1
Negotiating Local Levels of Performance	2015-0900.1
Performance Data	2016-0950.1
Redistribution of Unobligated Funds	2015-01000.2
Reporting Economically Disadvantaged Students	2016-01100.1
Requesting New Program of Study Credentials / Certifications	2015-01200.1
Reserve Funding	2015-01250.2
Resolution of Findings and Corrective Actions	2015-01300.1
Review and Approval of Eligible Recipient's Program of Study	2015-01400.1
Special Populations	2015-01500.1
Supplement- Not Supplant	2015-01600.1
Use of Funds By Eligible Recipients to Improve CTE Programs	2015-01700.1
Use of Funds to Purchase Equipment	2015-01800.1
Budget Authority and Spend Down	2016-01900.0

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS BUREAU
POLICY AND PROCEDURES**

**CARL D. PERKINS
AGENCY OBJECTIONS TO ONE OR MORE PORTIONS OF THE STATE
PLAN**

POLICY - #2015-0100.1

The Public Education Department (PED) College and Career Readiness Bureau (CCRB) is the agency responsible for career and technical education in New Mexico. As such, the CCRB is the agency responsible for monitoring the administration of funds and implementation of the activities as outlined in the Carl D. Perkins Career and Technical Education Act of 2006 and the State Plan.

PROCEDURES

Should any subgrantee find a portion of the final state plan objectionable, the ensuing procedures must be followed:

1. The subgrantee must file its written objections with the CCRB Director, 300 Don Gaspar Avenue, Santa Fe NM 87501.
2. Any objections must include a statement of the disagreement, proposed solution, and rationale for the change.
3. The CCRB will respond to any objections related to the plan.
4. The Secretary of Education for the Public Education Department will make the final decision.

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS
POLICY AND PROCEDURES**

**CARL D. PERKINS
ANNUAL PERFORMANCE REPORTS**

POLICY – #2015-200.1

Pursuant to the Carl D. Perkins Career and Technical Education Act of 2006, 20 U.S.C. §§ 2301 *et seq.* as amended by P.L. 109 - 270 (Perkins IV or the Act) the Public Education Department (PED) College and Career Readiness Bureau (CCRB) requires each eligible agency that receives an allocation under the Perkins basic grant to annually prepare and submit to the CCRB an Annual Performance Report (APR) regarding the progress in program effectiveness, accomplishments, data performance and financial responsibility. The window for submission of the APRs is **July 1 and due date is September 30**.

PROCEDURES

1. Each subgrantee project director, on file with the CCRB, will receive a password to access the CCRB web portal for the APR submission. If project directors have not received such password, they must contact CCRB.
2. Contents of the APR document to be completed by the project director include:
 - a. General Information - this module captures the institution's general information; e.g., contact name, title, phone, address, etc.
 - b. Program Effectiveness Survey – The survey speaks to the nine (9) Required Uses of Funds. All questions within the survey must be answered. Support document templates should be referred to when referencing questionnaire.
 - c. Permissive Use of Funds Survey – The survey speaks to the twenty (20) Permissive Uses of Funds. Each question in this survey is to be answered.
 - d. Accomplishments – This module captures content regarding program of study implementation and success.
 - e. Data Analysis– This module allows the institution to provide information and analysis about its performance. For detailed data information, see Policy #2016—0950 Performance Data.
 - Secondary data are provided through CCRB and PED Information Technology (IT) collaboration.
 - Postsecondary data are calculated through the institution's Institutional Researcher. Please see the Data Reporting Methodology Guidelines developed by CCRB in collaboration with the New Mexico Association for Institutional Research and Planning for detailed calculation instructions.

- Reported data are incorporated by PED's IT staff into the Annual Performance Report.
 - For any performance that is below the established target, the project director will develop an improvement strategy in the Annual Performance Report. The improvement strategy from the Annual Performance Report will then populate into the Performance Improvement Plan (see Policy 2015-0600 for more details).
- f. CTE Industry Certifications Earned – This module captures information about the industry certifications identified in STARS, attempted and successfully completed by students in each program of study.
 - g. Financial Summary - This module captures information regarding expenditure(s) by program of study.
3. Upon timely submission of the APR, CCRB monitors review and provide feedback.
 4. Institutions failing to submit the APR by the required deadline will receive a follow up phone call and / or email. A notation will also be placed on the institution's risk-based monitoring list.
 5. CCRB will withhold Perkins funding claims for institutions failing to submit APRs until such APR is submitted and approved by the CCRB.

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS BUREAU
POLICY AND PROCEDURES**

**CARL D. PERKINS
AUDIT OF PERKINS FUNDS**

POLICY – #2015-0300.1

A recipient of federal funds must have a financial management system in place to track the expenditure and accounting of federal grant funds. Certain fiscal controls and procedures must be in place to ensure that all financial management system requirements are met. Failure to meet a requirement may result in having to return federal funds to the awarding agency or termination of the award.

According to Omni Circular requirements, the Public Education Department (PED) College and Career Readiness Bureau (CCRB) must expend and account for federal funds, including Perkins funds, in accordance with state laws and procedures for expending and accounting for state funds. In addition, CCRB and the local recipient's financial management systems, including records documenting compliance with federal statutes, regulations, and the terms and conditions of the federal award, must be sufficient to allow required reports to be prepared and for the tracing of funds that have been used according to federal statutes, regulations and terms and conditions of the federal award.

Grantees and subgrantees must maintain source documentation for at least five years.

Accounting records must be supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contract and subgrant award documents, etc.

PROCEDURES

Federal Cash Management

CCRB and all local recipients will comply with applicable methods and procedures for payment that minimize the time elapsing between the transfer of funds and disbursement, in accordance with the Cash Management Improvement Act at 31 CFR Part 205.

Generally, the local recipients will receive payment from PED on a reimbursement basis. However, in the rare occurrence that a recipient receives an advance in federal grant funds from the PED, the recipient will remit interest earned on the advanced payments deposited into interest-bearing accounts annually to the PED. In turn, the PED will reimburse the federal award. The recipient may retain interest amounts up to \$500 per year for administrative expenses.

According to the United States Department of Education (USDE) guidance, when calculating the interest earned on USDE grant funds, in any situation where the state (i.e., CCRB) draws from the G5 system in advance of the recipient using nonfederal funds to pay vendors and/or employees, the only events and dates that are relevant are: 1) the date on which the federal grant funds are drawn down by the state; and 2) the date on which those funds are disbursed by the recipient. Any interest earned on those funds while on-deposit in the recipient's bank account after drawdown and before disbursement must be included in the interest earned calculation, as required by Uniform Grant Guidance.

Financial Management/Accounting System Overview

CCRB and its subgrantees use the Operating Budget Management System (OBMS), an online system that provides financial management services, such as a budget management system, Budget Adjustment Request (BAR) tracking system, actuals reporting system, reimbursement request system, grants management system, and data warehouse system. CCRB uses this system to submit budgets, track and trace budget items, and enhance reporting. OBMS notifies users of opened budgets, BAR/grant application releases, submission due dates and approval status. All recipients must ensure the proper disbursement of and accounting for Perkins funds.

Reimbursements

At the beginning of a grant year, CCRB loads its budget into this electronic system and each grant and funding source is coded so that it can be easily tracked. The CCRB program office sends its Request for Reimbursement (RfR) to the Fiscal Grants Management office for approval. Once approved, Fiscal Grants Management produces vouchers for expenditures that are to be reimbursed, and sends it to the Department of Finance and Administration (DFA) which produces checks for reimbursement using state funds from CCRB's subaccount within New Mexico's own state account. Thus, when DFA disburses funds, it is coming from CCRB's subaccount of general funds. The Audit and Accounting Bureau checks the system on a timely routine basis and draws the approved reimbursement voucher amount(s) from the federal G5 system's appropriate funding stream and uses the federal funds to reimburse the initial the state-funds expended for Perkins purposes. For example, the Audit and Accounting Bureau draws Perkins funds from the G5 system to reimburse state funds deposited into local recipient's bank accounts for allowable Perkins expenditures.

Only local recipients who establish budget authority prior to expending funds may be reimbursed for allowable expenditures. Twice a month, local recipients submit (RfR) using OBMS to CCRB. All RfRs must be accompanied by supporting documentation. CCRB staff conducts a review that includes, but is not limited to, ensuring compliance with federal laws, regulations and cost principles including Perkins and Omni Circular requirements. The CCRB will approve or deny

the RfR within 10 business days. If approved, CCRB sends the RfR to the Fiscal Grants Management office electronically.

At Fiscal Grants Management, the RfR is reviewed to ensure the expenditure(s) complies with state law and aligns with the approved budget. However, it is within Fiscal Grants Management's discretion to conduct a more detailed review if necessary. Fiscal Grants Management determines whether to conduct a detailed review based on the RfR's history, including dialogue and comments between CCRB staff and the local recipient in the Information Request section of OBMS. Fiscal Grants Management usually reviews and approves RfRs within five business days and prepares a payment voucher that is sent to DFA to reimburse the local recipients directly using state funds. DFA ensures there is an original signature on the RfR from Fiscal Grants Management and that the recipient established budget authority. DFA releases state funds electronically to the recipient's bank depository after it is approved by DFA (typically within five business days). These funds are released from PED's subaccount of general funds within New Mexico's state account. All local recipients must have bank depository information on file with the DFA, including signed forms approving the release of funds to the bank depository, signed by the Chief Financial Officer, and the bank name and account number. On a monthly basis, the Audits and Accounting Bureau performs a reconciliation between CCRB's general ledger and the federal G5 system to determine the amount of any reimbursements. The Audits and Accounting Bureau then draws the approved reimbursement voucher amount(s) processed by the DFA from the appropriate funding stream in the G5 system (identified by the Project ID code), and uses the federal funds to reimburse the initial state-funds used for local reimbursement. For example, the Audit and Accounting Bureau draws Perkins funds from the G5 system to reimburse state funds deposited into local recipient's bank accounts for allowable Perkins expenditures. Thus, within New Mexico's accounting system, allowable Perkins expenditures are charged, collected, and reported against federal funds.

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS
POLICY AND PROCEDURES**

**CARL D. PERKINS
CALCUATION OF FUNDING ALLOCATIONS**

POLICY – #2016.0350.1

Pursuant to the Carl D. Perkins Career and Technical Education Act of 2006, 20 U.S.C. §§ 2301 et seq. as amended by P.L. 109 - 270 (Perkins IV or the Act) the Public Education Department (PED) College and Career Readiness Bureau (CCRB) calculates funding allocations for the Perkins basic grant pursuant to sections 131 (secondary) and 132 (postsecondary) of the Act. Per Section 131 of the Act, the secondary funding allocation formula is allocates thirty percent in proportion to the number of individuals age 5 through 17 who reside in the district, and seventy percent in proportion to the number of individuals age 5 through 17 who reside in the district and are from families below the poverty level. The minimum allocation is \$15,000. Districts may enter into a consortium with others to meet the minimum allocation.

Per Section 13 of the Act, the postsecondary funding allocation formula is, “based upon the sum of Federal Pell Grant recipients and recipients of assistance from the Bureau of Indian Education enrolled in programs meeting the requirements of Title I, Section 135 offered by such institution or consortium in the preceding fiscal year compared to the sum of the number of such recipients enrolled in such programs in the state for such year.” The minimum allocation is \$50,000.

Agencies may enter into a consortium with others to meet the minimum allocation.

Funds that are awarded but not expended in the fiscal year of the award will be redistributed based upon the same proportions as the initial award.

PROCEDURES

1. Secondary allocations are determined by CCBR, using available U.S. Census data.
2. Postsecondary allocations are determined by CCRB using economically disadvantaged student reports (see policy 01100).
3. Recipients are notified of budget allocations through an award letter issued after the application reaches substantial approval, typically in mid to late summer.
4. Final award letters are distributed when CCRB receives the final award letter from the U.S. Department of Education, typically in November.
5. Redistribution award letters are issued after PED reconciles all fiscal year books, typically in January.

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS BUREAU
POLICY AND PROCEDURES**

**CARL D. PERKINS
CRITERIA FOR SUFFICIENT SIZE, SCOPE AND QUALITY**

POLICY - #2015.0400.2

Pursuant to Section 134(b)(6), the Public Education Department (PED) College and Career Readiness Bureau (CCRB) provides assurances that the eligible recipients will provide a career and technical education program that is of such size, scope and quality to bring about improvement in the quality of career and technical education programs.

CRITERIA FOR SECONDARY:

Criteria for Size:

A secondary teacher's class load cannot exceed 160 pupils per day as noted in Public School Code, Section 22-10A-20.D, NMSA, 1978. However, a program of sufficient size would enroll a minimum of 50% of the school's student population in at least a single program of study.

Criteria for Scope:

Programs of study shall demonstrate sufficient scope to allow students to earn a minimum of three credits in a sequential program of study. Local school boards review and approve curriculum that meet local, state and industry standards. Articulation agreements are in place with alignment of curriculum that provides a seamless transition from high school to postsecondary CTE programs. Pursuant to 22-13-1.1 NMSA 1978, 100% of secondary students (9-12) will have a Next Step Plan in place targeting postsecondary interests as well as career interest goals and to set for the studies necessary for completion during high school in order to be on track for graduation.

Criteria for Quality:

Providing professional development for teachers to prepare or enhance their certification in career technical education with emphasis on techniques for improving students' reading and mathematics skills; transition plan to take effect in 2005.

- The percentage of CTE concentrators who completed and who reported placement in postsecondary education, advanced training, employment, and/or the military in the second quarter following the program year in which they left secondary education shall be at 75% or higher.
- Teacher training with school priorities (EPSS) will link and reform initiatives that include best practices.
- Research-based best practices (i.e., Project Lead-the-Way, High Schools That Work, etc.) will be utilized to implement on-going high school reform.
- Licensing and credentialing of teachers according to the provisions of the New Mexico Accountability Workbook will define "highly qualified" professionals.

- Industry-related credentials (company certificates, industry/trade certificates/credentials, state regulations, licenses or certificates) will be issued to qualifying students upon completion of the program of study requirements.

CRITERIA FOR POSTSECONDARY:

Criteria for Size:

- Appropriate student/teacher ratios in laboratory settings based upon the number of available workstations in compliance with the Occupational Safety and Health Administration (OSHA) and Office for Civil Rights (OCR) guidelines will be adhered to.
- Subgrantees will provide an opportunity for students to become CTE concentrators. A CTE concentrator is defined as a student who:
 - Completes at least 12 academic or CTE credits, of which 9 credits are CTE, within a single program area that is comprised of 12 or more academic and CTE credits and terminates in the award of a degree, a certificate, or an industry-recognized credential **OR**
 - Completes a short-term CTE program of less than 12 credit units that terminate in a degree, a certificate, or an industry-recognized credential **OR**
 - Completes a short-term CTE program of less than 12 credit units that terminates in a degree, a certificate, or an industry-recognized credential.
- A threshold of at least of 75% of the student population must have a declared major.

Criteria for Scope:

Students will be provided with the opportunity to earn industry certification and/or state approved licensure that is portable. Students that have declared a major should have a clearly articulated program of study detailing courses and other qualifications that yield degree or certificate completion and position such student for transfer to 4 year institutions in accordance with articulation processes and policies.

Criteria for Quality:

- The percentage of CTE concentrators who earned a postsecondary credential, certificate, or degree who reported placement in advanced education, employment, and /or military in the second quarter following the program year in which they left secondary education shall be a minimum of 75% or higher.
- Students will be provided with an opportunity to participate in a CTE programs that are classified as High Skill, High Wage, and/or High Demand.
- Academics will be an integral component of all Perkins-funded CTE programs.

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS BUREAU
POLICY AND PROCEDURES**

**CARL D. PERKINS
DEVELOPMENT, SUBMISSION AND IMPLEMENTATION OF THE STATE PLAN**

POLICY - #2015-0500.1

The purpose of this policy is to describe the procedures for the Perkins State Plan development, submission, and implementation for programs administered by the Public Education Department (PED) College and Career Readiness Bureau (CCRB). For the purposes of Perkins implementation, CCRB is the agency responsible for the supervision of community colleges, technical institutes, or other 2 year postsecondary institutions, primarily engaged in providing postsecondary career and technical education. Additionally, CCRB is the agency responsible for secondary level career technical education.

PROCEDURES

1. Public hearings will be held in the State, after appropriate and sufficient notice, for the purpose of affording the public and interested parties an opportunity to present their views and to make recommendations with regards to the development of the State Plan.
2. A summary with public hearing recommendations and the agency's response will be included in the State Plan.
3. The State Plan is developed in consultation with academic and career and technical education teachers, faculty, administrators, career guidance and academic counselors, eligible recipients, charter school authorizers and organizers and other stakeholders.
4. Activities to ensure access of information and participation in state and local input and decisions related to the development of the State Plan will be organized. Activities may include, but are not limited to:
 - a. Electronic communication
 - b. Telephone communication
 - c. Written correspondence
 - d. Public service communication (newspaper, radio, website)
 - e. Notices of meetings (committees, task forces, commissions, workforces)
 - f. Perkins grant directors' meetings
 - g. Statewide public hearings
 - h. Technical Assistance visits
5. Career and technical education activities that are designed to meet or exceed State levels of performance will be clearly defined within the State plan.
6. The finalized 6-year period State Plan is submitted to the United States Secretary of Education Office of Vocational and Adult Education (OVAE) by designated deadlines.
- 7.

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS BUREAU
POLICY AND PROCEDURES**

**CARL D. PERKINS
EVALUATION OF PERFORMANCE IMPROVEMENT PLAN**

POLICY - #2015-0600.2

Pursuant to Perkins Section 123(b)(2), if the Public Education Department (PED) College and Career Readiness Bureau (CCRB) determines that an eligible recipient failed to meet at least 90 percent of an agreed upon local adjusted level of performance for any of the core indicators of performance described in Section 113(b)(4), the eligible recipient shall develop and implement a program improvement plan (with special consideration to performance gaps identified under Section 113(b)(4)(C)(ii)(II)) in consultation with the eligible agency, appropriate agencies, individuals, and organizations during the first program year succeeding the program year for which the eligible recipient failed to so meet any of the local adjusted levels of performance for any of the core indicators of performance.

PROCEDURES

1. Each year, CCRB posts levels of performance in the series of performance indicators on the CCRB website:
http://www.ped.state.nm.us/ped/CCR_perkins.html and on the Redistribution of Funds application portal. As such, the Redistribution of Funds application serves as a dual role for funding and as an action plan to address deficient performance indicators.
2. CCRB will send subgrantees a notification of release of Redistribution of Funds application which will provide the due date for submission of the application.
3. Subgrantees will submit to the CCRB a completed Redistribution of Funds application to include an improvement plan for addressing missed indicators.
4. The CCRB Education Administrators receive, date stamp and compile the Redistribution applications.
5. Using an evaluation rubric, CCRB Education Administrators evaluate each of their assigned institution's application for accuracy, completeness and strategies identified for improving performance as outlined in the Perkins core indicators.
6. Should additional information be needed, CCRB Education Administrators will contact, via email, their assigned institution for further clarification.

7. The CCRB Education Administrators will complete their evaluation of the Redistribution application and will notify the subgrantee of the acceptance or denial of their application within 30 days from the date received.
8. CCRB Education Administrators will monitor their assigned institution on a quarterly basis for follow up reports and improvement of the subgrantee's performance measures. Technical assistance will be provided as needed.
9. Redistribution applications, evaluation rubrics, and follow up correspondence will be organized by institution and will be stored in a centralized location on the bureau's R:drive and monitored by the CCRB Perkins Project Manager.

Performance Improvement Plan (PIP) Evaluation Rubric

Performance Period (Date)

Program Implementation (Date)

Part I. General Information

Accuracy and Completeness	Complete	Not Complete	Comments:
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Part II. Data Analysis

Core Indicator Results	Complete	Not Complete	Comments:
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Part III. Strategy for Performance Improvement Plan

Core Indicators	Results: Met Or Not Met	Strategy: *(SMART Goals) (-) 1 2 3 4 5 (+)	Target / Completion Dates (Reasonable) (-) 1 2 3 4 5 (+)	Reporting & Verification of Activity (-) 1 2 3 4 5 (+)	Comments:
1P1 Technical Skill Attainment					
2P1 Credential, Certificate or Degree					
3P1 Student Retention or Transfer					
4P1 Student Placement					
5P1 Nontraditional Participation					
5P2 Nontraditional Completion					

SMART Goals: Specific, Measurable, Attainable, Relevant, Time-bound

Signature – 1st Reviewer

Date

Signature – 2nd Reviewer

Date

Performance Improvement Plan (PIP) Evaluation Rubric

Performance Period (Date)
 Program Implementation (Date)

Part I. General Information					
Accuracy and Completeness	Complete	Not Complete	Comments:		
Part II. Data Analysis					
Core Indicator Results	Complete	Not Complete	Comments:		
Part III. Strategy for Performance Improvement Plan					
Core Indicators	Results: Met Or Not Met	Strategy: *(SMART Goals) (-) 1 2 3 4 5 (+)	Target / Completion Dates (Reasonable) (-) 1 2 3 4 5 (+)	Reporting & Verification of Activity (-) 1 2 3 4 5 (+)	Comments:
1S1 Academic Attainment – Reading/Language Arts					
1S2 Academic Attainment – Mathematics					
2S1 Technical Skill Attainment					
3S1 Secondary School Completion					
4S1 Student Graduation Rates					
5S1 Secondary Placement					
6S1 Non-Traditional Participation					
6S2 Non-Traditional Completion					

SMART Goals: Specific, Measurable, Attainable, Relevant, Time-bound

Signature – 1st Reviewer

Date

Signature – 2nd Reviewer

Date

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS BUREAU
POLICY AND PROCEDURES**

**CARL D. PERKINS
EVALUATION OF THE PROGRAM, SERVICES AND ACTIVITIES WITHIN THE
STATE PLAN**

POLICY - #2015-0700.1

The Public Education Department (PED) College and Career Readiness Bureau (CCRB) appropriately evaluates and monitors the programs, activities, and services utilizing the Carl D. Perkins Career and Technical Education Act of 2006 Monitoring Document. The evaluation process is designed to meet state and federal requirements for a monitoring system, as well as to provide technical assistance to institutions, administrators, instructors and other Perkins grant related staff for continual improvement of the state approved Career and Technical Education programs. Through the use of the Monitoring Document, CCRB assists subgrantees with challenges as it pertains to:

- Improving program quality
- Improving program alignment with state and national standards
- Increasing support for state initiatives
- Expanding student opportunities to achieve industry-recognized certification and credentials for Career and Technical Education pathways

Monitoring will occur on-site and will be conducted by CCRB Education Administrators. Program compliance reviews, either on-site visits or desk reviews, will be scheduled based on risk. Using established selection criteria and reports, Education Administrators will conduct program review monitoring visits.

PROCEDURES

10. The CCRB Risk-based rubric is used for the identification of sites for monitoring visits.
11. Written notification of the on-site visits will be sent to the selected institution / school. The letter will include suggested dates for the visit and related materials.
12. The Perkins compliance monitoring review is the combination of review and preparation activities to provide information supporting the purpose stated in the written notification. Each review process will require the availability of documents prior to the arrival of the monitoring team. These documents are outlined in the monitoring kit submitted with the written notification to the selected institution / school.
13. At least 3 weeks prior to the visit, the Perkins Monitoring Team Lead will provide an agenda for the on-site visit which will include:
 - a. On-site visit date
 - b. Targeted areas of review

- c. Requests for interviews with specific instructors and/or institution personnel
14. Compliance monitoring visits include:
- a. An introductory meeting and overview
 - b. Review of the requested materials and documentation
 - c. A review of the activities on campus
 - d. An exit review
15. Within 30 days of the on-site monitoring visit, a letter detailing the results of the review will be sent to the institution / school.
16. If items requiring corrective actions are listed within the letter, the institution / school is required to respond to the required actions within 30 days.
17. The response will include:
- a. Corrective actions the institutions will take to address deficiencies
 - b. Identify person(s) responsible for the completion of each action
 - c. Identify when the action is / will be completed
 - d. Verification of the completion of action (photos, evidence/documentation, etc.)

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS BUREAU
POLICY AND PROCEDURES**

**CARL D. PERKINS
INITIAL ALLOCATION AND GRANT MANAGEMENT**

POLICY - #2015-0800.1

As required by Section 131 and 132 of the Perkins Act, the Public Education Department PED, College and Career Readiness Bureau (CCRB) allocates funds to eligible secondary and postsecondary institutions within the state. In order to ensure timely and efficient grant management, it is the resolve for CCRB to provide an internal process for Perkins monitors to assess recipient's progress in establishing budget authority, spend-down activity, and expenditure claims submitted through the Operating Budget Management System (OBMS) system. For the purpose of internal auditing, all Perkins monitor's communications with subgrantees will be properly documented.

PROCEDURES

1. Subgrantees are advised of their initial planning awards via web posting on the Administrative Services Division (ASD) page in April for each ensuing basic grant year. Posting lists information by fund by entity. The information for board approval is written into the context of the email, so that this item is placed on board agendas immediately.
2. The monitors will follow up within a week to ensure that the program managers have included it as an agenda item for their upcoming board meeting for approval in order to establish budget authority by May. Perkins monitors will continue to follow up via phone calls and emails requiring budget authority be established by subgrantees.
3. Once budget authority has been established, Perkins monitors approve Budget Adjustment Requests (BARs) through the Operating Budget Management System (OBMS) for spend-down / expenditures only if the Perkins application is substantially or fully approved.
4. Subgrantees will spend-down allocated funds from July 1 thru June 30 of the subsequent year.
5. On an on-going basis, Perkins monitors will monitor the subgrantee's spending plan.
6. Perkins monitors will notify subgrantees via email correspondence on a quarterly basis of their expenditure status.
7. Beginning January, Perkins monitors will send monthly email notifications to subgrantees not meeting the expenditure target.
8. In June, Perkins monitors will begin conducting close out activities for the basic grant.

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS BUREAU
POLICY AND PROCEDURES**

**CARL D. PERKINS
NEGOTIATING LOCAL LEVELS OF PERFORMANCE**

POLICY - #2015-0900.1

Pursuant to section 113(a)(4) of Perkins IV, a subgrantee that does not meet the threshold for one or more of the State's target of the Final Agreed Upon Performance Levels (FAUPLs) for three consecutive years, may request a Local Adjusted Level of Performance (LALP) for the upcoming year.

Each subgrantee will compare their prior year actual level of performance to the FAUPL and either accepts the State's level of performance for the next year, or requests a LALP. Requesting a LALP requires the recipient to continually make progress toward improving performance.

PROCEDURES

- A. Per Appendix H of the local application, the subgrantee must submit a written request to the CCRB Director to negotiate LALP.
- B. Upon receipt of the subgrantee's written request, CCRB will review and if approved to negotiate, the subgrantee will complete the form "Request to Negotiate Final Agreed Upon Performance Levels" for the appropriate performance measure (Secondary: 1S1, 1S2, 2S1, 3S1, 4S1, 5S1, 6S1 and 6S2) OR (Postsecondary: 1P1, 2P1, 3P1, 4P1, 5P1 and 5P2).
- C. If such request to negotiate LALP should occur, CCRB will appoint a performance review committee each April to review FAUPL requests for negotiation. The performance review committee will review and make a recommendation to the CCRB Director for approval /denial of each request.
- D. Upon the CCRB's performance review committee's approval, the request for negotiated FAUPL is then forwarded to the CCRB Director for second level of review and signed determination.
- E. If the LALPs are not accepted by the CCRB, then the subgrantee and CCRB Director or his designee will negotiate levels of performance until agreement is reached.
- F. The subgrantee is advised in writing of the approved /denied request for negotiated FAUPL.
- G. The subgrantee and CCRB monitor negotiated levels of performance and document progress.
- H. In the event the "Request to Negotiate FAUPL(s)" is denied, the subgrantee will have the opportunity to appeal the decision by requesting a second review by the CCRB performance review committee and CCRB Director.

Request to Negotiate Final Agreed Upon Performance Levels (FAUPLs) (Date)

District / Institution Information	
District Name	
Superintendent	
CTE Administrator	
CTE Administrator Phone Number	
CTE Administrator Email Address	

Request Information / Background									
Please check which final agreed upon performance level(s) you are requesting to negotiate.	<input type="checkbox"/> 1S1 Academic achievement in reading <input type="checkbox"/> 1S2 Academic achievement in math <input type="checkbox"/> 2S1 Technical skill attainment <input type="checkbox"/> 3S1 Attainment of a high school diploma <input type="checkbox"/> 4S1 Graduation rates <input type="checkbox"/> 5S1 Placement in postsecondary, military or employment <input type="checkbox"/> 6S1 Participation in non-traditional programs <input type="checkbox"/> 6S2 Completion of non-traditional programs								
What was your (Date) District level of performance for this measure(s)?	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">1S1 _____%</td> <td style="width: 50%;">4S1 _____%</td> </tr> <tr> <td>1S2 _____%</td> <td>5S1 _____%</td> </tr> <tr> <td>2S1 _____%</td> <td>6S1 _____%</td> </tr> <tr> <td>3S1 _____%</td> <td>6S2 _____%</td> </tr> </table>	1S1 _____%	4S1 _____%	1S2 _____%	5S1 _____%	2S1 _____%	6S1 _____%	3S1 _____%	6S2 _____%
1S1 _____%	4S1 _____%								
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1S1 _____%	4S1 _____%								
1S2 _____%	5S1 _____%								
2S1 _____%	6S1 _____%								
3S1 _____%	6S2 _____%								
Please give a description of circumstances leading to performance below the statewide target.									

What level(s) of performance are you proposing for (Date) ?	<table style="width: 100%; border: none;"> <tr> <td style="text-align: center;">1S1 _____%</td> <td style="text-align: center;">4S1 _____%</td> </tr> <tr> <td style="text-align: center;">1S2 _____%</td> <td style="text-align: center;">5S1 _____%</td> </tr> <tr> <td style="text-align: center;">2S1 _____%</td> <td style="text-align: center;">6S1 _____%</td> </tr> <tr> <td style="text-align: center;">3S1 _____%</td> <td style="text-align: center;">6S2 _____%</td> </tr> </table>	1S1 _____%	4S1 _____%	1S2 _____%	5S1 _____%	2S1 _____%	6S1 _____%	3S1 _____%	6S2 _____%
1S1 _____%	4S1 _____%								
1S2 _____%	5S1 _____%								
2S1 _____%	6S1 _____%								
3S1 _____%	6S2 _____%								
Using valid and reliable data, please justify your proposed targets. <i>(I.E. # of students needed in the numerator to move performance and how those numbers will be met.)</i>									
Explain and justify why this request should be granted.									

Planned Activities to Meet Proposed Performance Measures	
Please explain what strategies will be implemented to address proposed performance measures. Consider the activities proposed in the Perkins Request for Application of the Basic Grant (RFABG) and how these activities connect to performance measures and outcomes.	
1S1-	1S2-
2S1-	3S1-
4S1-	5S1-
6S1-	6S2-

Proposed Timelines	
Please provide a timeline for returning to the statewide adjusted level of performance.	TIMELINE:

Subgrantee Signatures	
Signature of person responsible for oversight of proposed negotiations:	Signature: _____ Date: _____
Signature of Superintendent:	Signature: _____ Date: _____

CCRB Review Committee's Comments / Justifications for Actions:

Recommendation of the Review Committee:

Request Approved: _____ Request Not Approved: _____

Reviewer's Signature: _____

Reviewer's Signature: _____

Reviewer's Signature: _____

Action by the CCRB Director:

Request Approved: _____ Request Not Approved: _____

CCRB Director's Signature: _____

Request to Negotiate Final Agreed Upon Performance Levels (FAUPLs) (Date)

District / Institution Information	
Institution Name	
Superintendent/President	
CTE Administrator	
CTE Administrator Phone Number	
CTE Administrator Email Address	

Request Information / Background													
Please check which final agreed upon performance level(s) you are requesting to negotiate.	<input type="checkbox"/> 1P1 Technical Skill Attainment <input type="checkbox"/> 2P1 Credential, Certificate, or Degree <input type="checkbox"/> 3P1 Student Retention or Transfer <input type="checkbox"/> 4P1 Student Placement <input type="checkbox"/> 5P1 Nontraditional Participation <input type="checkbox"/> 5P2 Nontraditional Completion												
What was your (Date) District level of performance for this measure(s)?	<table style="margin-left: auto; margin-right: auto;"> <tr> <td>1P1</td><td>___%</td> <td>4P1</td><td>___%</td> </tr> <tr> <td>2P1</td><td>___%</td> <td>5P1</td><td>___%</td> </tr> <tr> <td>3P1</td><td>___%</td> <td>5P2</td><td>___%</td> </tr> </table>	1P1	___%	4P1	___%	2P1	___%	5P1	___%	3P1	___%	5P2	___%
1P1	___%	4P1	___%										
2P1	___%	5P1	___%										
3P1	___%	5P2	___%										
What was your (Date) District level of performance for this measure(s)?	<table style="margin-left: auto; margin-right: auto;"> <tr> <td>1P1</td><td>___%</td> <td>4P1</td><td>___%</td> </tr> <tr> <td>2P1</td><td>___%</td> <td>5P1</td><td>___%</td> </tr> <tr> <td>3P1</td><td>___%</td> <td>5P2</td><td>___%</td> </tr> </table>	1P1	___%	4P1	___%	2P1	___%	5P1	___%	3P1	___%	5P2	___%
1P1	___%	4P1	___%										
2P1	___%	5P1	___%										
3P1	___%	5P2	___%										
What was your (Date) District level of performance for this measure(s)?	<table style="margin-left: auto; margin-right: auto;"> <tr> <td>1P1</td><td>___%</td> <td>4P1</td><td>___%</td> </tr> <tr> <td>2P1</td><td>___%</td> <td>5P1</td><td>___%</td> </tr> <tr> <td>3P1</td><td>___%</td> <td>5P2</td><td>___%</td> </tr> </table>	1P1	___%	4P1	___%	2P1	___%	5P1	___%	3P1	___%	5P2	___%
1P1	___%	4P1	___%										
2P1	___%	5P1	___%										
3P1	___%	5P2	___%										
Please give a description of circumstances leading to performance below the statewide target.													

<p>What level(s) of performance are you proposing for (Date)?</p>	<p>1P1 ____%</p> <p>2P1 ____%</p> <p>3P1 ____%</p> <p>4P1 ____%</p> <p>5P1 ____%</p> <p>5P2 ____%</p>
<p>Using valid and reliable data, please justify your proposed targets. <i>(I.E. # of students needed in the numerator to move performance and how those numbers will be met.)</i></p>	
<p>Explain and justify why this request should be granted.</p>	

<p align="center">Planned Activities to Meet Proposed Performance Measures</p>	
<p>Please explain what strategies will be implemented to address proposed performance measures. Consider the activities proposed in the Perkins Request for Application of the Basic Grant (RFABG) and how these activities connect to performance measures and outcomes.</p>	
<p>1P1-</p>	<p>2P1-</p>
<p>3P1-</p>	<p>4P1-</p>
<p>5P1-</p>	<p>5P2-</p>

<p align="center">Proposed Timelines</p>	
<p>Please provide a timeline for returning to the statewide adjusted level of performance.</p>	<p>TIMELINE:</p>

Subgrantee Signatures	
Signature of person responsible for oversight of proposed negotiations:	Signature: _____ Date: _____
Signature of Superintendent/President:	Signature: _____ Date: _____

CCRB Review Committee's Comments / Justifications for Actions:	
Recommendation of the Review Committee:	
Request Approved: _____	Request Not Approved: _____
Reviewer's Signature: _____	
Reviewer's Signature: _____	
Reviewer's Signature: _____	
Action by the CCRB Director:	
Request Approved: _____	Request Not Approved: _____
CCRB Director's Signature: _____	

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS
POLICY AND PROCEDURES**

**CARL D. PERKINS
PERFORMANCE DATA**

POLICY - #2016-0950.1

Pursuant to the Carl D. Perkins Career and Technical Education Act of 2006, 20 U.S.C. §§ 2301 et seq. as amended by P.L. 109 - 270 (Perkins IV or the Act) the Public Education Department (PED) College and Career Readiness Bureau (CCRB) requires each eligible agency that receives an allocation under the Perkins basic grant to annually prepare and submit to the CCRB complete, accurate and reliable student data relating to performance.

Finalized approval by CCRB of all indicators by June 15 ensures that LEAs have complete, accurate and reliable data in hand when they begin to prepare their Annual Performance Reports and Performance Improvement Plans.

Student placement performance (indicators 5S1 and 4P1) requires collaboration with the Higher Education Department (HED) and the Department of Workforce Solutions (DWS). Preliminary submission of student lists to HED is due May 15. HED will process and provide a placed list by May 30. Disaggregation of all performance data is due to PED by June 15.

Due Dates for Secondary Data

Submission to PED	Snapshots (STARS 40-, 80-, 120-Day, EOY)
Initial calculations from IT to CCR	April 1
List of 5S1 completers to HED	April 15
HED 5S1 placement list returned	May 31
CCRB finalize review and approve data	June 15
Data included in APR release	July 1

Due Dates for Postsecondary Data

Submission window opens	May 1
IR submit indicators other than 4P1 to PED	April 30
IR submit 4P1 to HED	April 30
HED 4P1 placement list returned to IR	May 31
IR submit 4P1 w/ disaggregation to PED	June 7
PED finalize review and approve data	June 15
Data included in APR release	July 1

Secondary data is collected by PED through the Student Teacher Accountability Reporting System (STARS). Data is imported from each district's Student Information System (SIS). Data transfer occurs at 40-, 80-, 120-day, and End of Year.

Postsecondary data is calculated by institutional researcher (IR) at the recipient institution. Data transfer occurs to CCRB by April 30, with 4P1 submitted no later than June 7.

Data calculated and reported to CCRB are used to populate the Annual Performance Report (policy 2015-0200) and Performance Improvement Plan (Policy 2015-0600), which are released on July 1 for sub-recipient completion.

PROCEDURES – SECONDARY

1. Data is submitted by districts through their STARS portal. Data is reviewed by CCRB staff at each snapshot period to ensure that district level data is complete, accurate and reliable.
2. Detailed technical instructions for data calculations are published annually in the Business Rules Guide (“business rules”). This is an internal document that is developed in collaboration with PED Information Technology (IT) staff and saved in a shared folder location. IT staff uses these business rules to calculate data aggregations by school, district, consortia, and state.
3. Data to be calculated by the IT staff include:
 - a. Participant counts– count of CTE participants, disaggregated by subgroups specified in the Act.
 - b. Concentrator counts– count of CTE concentrators, as defined in the business rules, disaggregated by subgroups specified in the Act.
 - c. Performance Indicator counts –numerator and denominator counts for each performance indicator. Performance indicators are specified in the New Mexico State Plan and negotiated annually by CCRB with input from attendees of the Perkins Application Workshop. Each count will be disaggregated by subgroups specified in the Act.
 - d. Data changes– Increases or reductions in excess of 15 percent are highlighted.
4. Upon timely submission of the data, CCRB will test the submitted data to ensure data are complete, accurate and reliable. CCRB will provide feedback to IT staff if tests suggest problems in the dataset. Validation checks will include:
 - a. comparison of CTE participants to total headcount
 - b. comparison of CTE participants to CTE concentrators
 - c. year over year change for CTE participants, concentrators, and all indicators
 - d. comparison of gender and race disaggregation subtotals for participants, concentrators, and all indicators.
5. Data for 5S1, which must be submitted by PED to HED for further analysis, is due to HED no later than April 30. HED will determine those concentrators with placement in postsecondary education, advanced training, and/or employment, in the second quarter following the program year in which they left education. HED will provide back to PED, no later than May 31, a list of those students with placement. Disaggregation by subgroups will be calculated by IT staff and submitted to CCRB along with other disaggregated performance data.
6. Initial calculations are due by April 1 and delivered to CCRB for review. Final disaggregation of all performance indicators by school and district will be calculated by IT staff and submitted to CCRB no later than June 15.
7. For data reported through STARS, if CCRB finds problems with reported data, the secondary LEA will receive a follow up phone call and/or email. A notation will also be placed on the institution’s risk-based monitoring list.

8. CCRB will withhold Perkins funding claims for institutions failing to submit data until such data are submitted and approved by the CCRB.

PROCEDURES – POSTSECONDARY

1. Each postsecondary LEA institutional researcher (IR), on file with the CCRB, will receive a password to access the CCRB web portal for data submission. If the IR has not received such password, they must contact CCRB.
2. Detailed technical instructions for data calculations are published annually in Data Reporting Methodology Guidelines (“business rules”) and distributed by the CCRB directly to IRs no later than May 1. These guidelines are developed in collaboration with members of the New Mexico Association for Institutional Research and Planning.
3. Data submission includes a signed assurances page. IR and Perkins director both sign to assure that the submitted data are complete, accurate and reliable.
4. Contents of the data submission to be completed by the institutional researcher include:
 - a. General Information - this captures the institution’s general information; e.g., contact name, title, phone, address, etc.
 - b. CTE courses– a list of all course codes and titles used to determine CTE participation.
 - c. Participant counts– count of CTE participants, disaggregated by subgroups specified in the Act.
 - d. Economically disadvantaged career-technical students – unduplicated count of CTE participants who receive Pell and/or BIE grants.
 - e. Concentrator counts– count of CTE concentrators, as defined in the business rules, disaggregated by subgroups specified in the Act.
 - f. Performance Indicator counts –numerator and denominator counts for each performance indicator. Performance indicators are specified in the New Mexico State Plan and negotiated annually by CCRB with input from attendees of the Perkins Application Workshop. Each count will be disaggregated by all subgroups specified in the Act.
 - g. Data changes explanation – Increases or reductions in excess of 15 percent require a written explanation.
5. Upon timely submission of the data, CCRB will test the submitted data, to ensure data are complete, accurate and reliable. CCRB will provide feedback to IRs if tests suggest problems in the dataset. Validation checks will include:
 - a. comparison of CTE participants to total headcount
 - b. comparison of CTE participants to CTE concentrators
 - c. year over year change for CTE participants, concentrators, and all indicators
 - d. comparison of gender and race disaggregation subtotals for participants, concentrators, and all indicators.
6. Data for 4P1, which must be submitted to HED for further analysis, is due to HED no later than April 30. HED will determine those concentrators with placement in postsecondary education, advanced training, and/or employment, in the second quarter following the program year in which they left education. HED will provide, no later than May 31, a list of those students with placement. Disaggregation by subgroups for 4P1 will be calculated by the IR and submitted to PED no later than June 7.

7. Institutions failing to submit data by the required deadlines listed above will receive a follow up phone call and/or email. A notation will also be placed on the institution's risk-based monitoring list.
8. CCRB will withhold Perkins funding claims for institutions failing to submit data until such data are submitted and approved by the CCRB.

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS BUREAU
POLICY AND PROCEDURES**

**CARL D. PERKINS
REDISTRIBUTION OF UNOBLIGATED FUNDS**

POLICY - #2015-01000.2

It is the policy of the Public Education Department (PED) College and Career Readiness Bureau (CCRB) to align to the Carl D. Perkins Act: that in any academic year that an eligible recipient is allocated for such year under Section 131 or 132, such eligible recipient shall return any unexpended amounts (budget) to the CCRB to be reallocated under Section 131 or 132, as appropriate. In any academic year in which amounts are returned to the CCRB under Section 131 or 132 and the CCRB is unable to reallocate such amounts according to such sections in time for such amounts to be expended in such academic year, the CCRB shall retain such amounts for distribution in combination with amounts provided under Section 112(a)(1) for the following academic year.

CCRB shall distribute the portion of funds made available under section 112(a)(1). Unexpended funds remain at the state level for redistribution and are allocated according to the formula described in section 131 or 132 of the Perkins Act of 2006. The PED issues Redistribution in two phases.

PHASE I ALLOCATION

The amount to be distributed to schools is determined by the following:

1. September 31 –all unused funds remaining from the prior year redistribution, and
2. Prior year award – From July 1 thru June 30, any balance remaining from the prior year award not budgeted in unliquidated obligations (total amount less total request for reimbursement), and
3. From July 1-August 30, any balance from the unliquidated obligations (total budget for unliquidated obligations less total claims).
4. Phase I allocation will be distributed with the current final award letter.

PHASE II ALLOCATION

During December and January, the PED will perform a final reconciliation of the 2 preceding years to determine if any money has not yet been allocated pursuant to the phase I procedures. If an amount becomes available, a phase II allocation will occur in accordance with Section 112(a)(1), sections 131 and 132 of the Perkins Act of 2006.

Any remaining funds available for redistribution will be awarded to entities that applied for funds during the year in which the funds originated. The following is provided as a sample calculation:

First year allocation

Institution A	\$100,000
Institution B	\$ 30,000
Institution C	\$ 55,000

Unexpended funds first year

Institution A	\$ 8,700
Institution B	\$ 11,000
Institution C	\$5,900
Total	\$25,600

The unexpended amount for the first year, as of August 31, totals \$ 25,600.00. This shall be the amount to be redistributed (based on formula) for the following year between the institutions that apply and are approved for the grant as follows:

Example 1

Second year – Redistribution (if same institutions apply)

Institution A	\$ 13,824
Institution B	\$ 4,165
Institution C	\$ 7,611
Total	\$ 25,600

Example 2

Second year – Redistribution (if a different institution applies)

Institution A	\$ 12,288
Institution C	\$ 6,771
Institution D	\$ 6,541
Total	\$ 25,600

In this case, Institution B did not apply for the grant. The monies are then redistributed, according to the formula, among the institutions that were awarded the grant for the following year.

Example 3

Second year – Redistribution (if an additional institution applies)

Institution A	\$ 10,739
Institution B	\$ 5,930
Institution C	\$ 3,223
Institution D	\$ 5,708
Total	\$ 25,600

In this case, Institution D applied in addition to the previous institutions. The redistribution runs through the formula for four institutions and is allocated accordingly.

Only institutions that receive an award in the first 15 months of a program year is eligible for redistribution in subsequent 12 month period for the 27 month performance period of the initial award.

Every year each entity will be assigning a Universal Chart of Accounts (UCOA) for current funds and one for redistribution funds. Both accounts are separate from each other and the proper

UCOA fund number must be used to identify current funds from redistribution funds. UCOA fund number for current funds for Secondary is 24174 and for Post-Secondary 24177. UCOA fund number for redistribution funds for Secondary is 24176 and for Post-Secondary 24179.

PROCEDURES

- A. PED will calculate prior year Redistribution amount and allocation.
- B. PED will subtract total amount claimed by subgrantees and arrive at total amount available.
- C. PED will calculate total amount budgeted in unliquidated funds and arrive at total amount available.
- D. PED will balance allocable amounts of funding and apply the funding formula to arrive at the total amount for Redistribution allocations.
- E. Redistribution allocations will be included in the final award letter announcing Perkins Basic total award for the current year.
- F. PED will implement carryover process during the months of December and January to reconcile Redistribution amounts for Phase II.
- G. Redistribution funds will be allocated through an application process and focused to target performance indicators. In order to strengthen the academic and career and technical skill of students participating in career and technical education programs, CCRB approves the areas in which the expenditures should occur and be monitored. That is, the State, based upon performance measures, might indicate to an institution where the funds will be expended in order to improve such performance measures that are not being met.
- H. the Redistribution application will include Performance Improvement Plans for missed performance indicators.
- I. RECORD RETENTION
Records of the redistribution calculation and all supporting documentation must be kept on file at the State Educational Agency (SEA) for a minimum of five years and are retained in the Administrative Services Division, Audit and Accounting Bureau.

Any unused funds remaining in the State's administrative or leadership budget (non-state match) will remain at the state level for the expenditure in the subsequent year within the 27 month period of availability.

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS
POLICY AND PROCEDURES**

**CARL D. PERKINS
REPORTING ECONOMICALLY DISADVANTAGED STUDENTS**

POLICY - #2016-01100.1

Pursuant to the Carl D. Perkins Career and Technical Education Act of 2006, 20 U.S.C. §§ 2301 et seq. as amended by P.L. 109 - 270 (Perkins IV or the Act) the Public Education Department (PED) College and Career Readiness Bureau (CCRB) requires each postsecondary agency that receives an allocation under the Perkins basic grant to annually prepare and submit to the CCRB a report of economically disadvantaged Career and Technical Education (CTE) students. The submission due date is April 30.

If a postsecondary agency has not been a recipient of Perkins funds and wishes to apply for funding, the institution must pre-qualify by submitting their counts for the reporting year preceding the application year. CCRB will use their economically disadvantaged CTE student counts to determine if the application would be likely to be funded.

PROCEDURES

6. Each subgrantee project director, on file with the CCRB, will receive a password to access the CCRB web portal for the data submission.
7. Contents of the submission include:
 - a. Total unique students – is reported for reporting period summer, fall, and spring.
 - b. CTE participants – All students participating in CTE (as defined in section 3(5) of the Act), disaggregated by gender, race, ethnicity, and special populations as defined in the Act.
 - c. Economically disadvantaged students – Such students are identified as being CTE participants and also recipients of the Federal Pell Grant and/or recipients of assistance from the Bureau of Indian Education (BIE).
 - d. Course list –A list of all CTE courses offered at the institution, with enrollment.

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS BUREAU
POLICY AND PROCEDURES**

**CARL D. PERKINS
REQUESTING NEW PROGRAM OF STUDY CREDENTIALS/CERTIFICATIONS**

POLICY - #2015-01200.1

Pursuant to Section (b)(2)(B)(iii) of the Perkins Act, the Public Education Department (PED) College and Career Readiness Bureau (CCRB) ensures that each eligible recipient identifies core indicators of performance for Career and Technical Education (CTE) students at the secondary and postsecondary level that are valid and reliable, and that include student attainment of an industry-recognized credential, a certificate, or a degree. A listing of available CTE student industry certification codes can be found in the Student Teacher Accountability Reporting System (STARS) Volume #2.

Should a subgrantee request the offering of additional certifications within a program of study not listed in STARS, following procedures are to be followed:

PROCEDURES

1. The subgrantee must submit a formal letter and completed New Program of Study Request Form to the CCRB Director requesting the new certification/credential.
2. Within the formal request, the institution must include a justification and validation statement verifying which industries recognize the new certification/credential.
3. The subgrantee must provide CCRB with the following supporting documentation regarding the new certification/credential:
 - a. A letter of support from the employer(s) on business letterhead that recognizes the proposed certification/credential as valid
 - b. Industry advisory board minutes reflecting where the certification was discussed and recommended
 - c. Workforce labor market data
 - d. Verification that the requested certification /credential is portable
 - e. The CTE instructor(s) / programs meet all certification / credentialing conditions
4. Upon receipt of the formal request and supporting documentation, the CCRB staff will review and provide a recommendation for approval or denial to the CCRB Director.
5. Upon receipt of the recommendation for approval or denial, the CCRB Director will make a final determination.
6. The subgrantee will be advised in writing of the approved/denied request for the new certification/credential.
7. If approved, the certification / credential codes will be added to STARS Volume #2.

Request for New Program of Study Credentials/Certifications (Date)

District / Institution Information	
District Name	
Superintendent	
CTE Administrator	
CTE Administrator Phone Number	
CTE Administrator Email Address	

	Certification / credential title	Certification description	Certification requirement / justification	Issuing organization / provider	Website or location of information	Pathway or career cluster	Fees	Estimated number of students taking assessment in academic year
Example	NCCER Carpentry - Level 3	Level Three Certification- Exterior Finishing, Roofing Applications, Stairs, Drywall, Interior Finish (doors/Ceilings)	The CORE: Intro. to Craft Skills certification is required for all NCCER trades. In addition, after each module (of each Level) an individual is required to take a written and performance test.	National Center for Construction Education & Research (NCCER)	www.nccer.org	Construction Technology	\$79.00 each	30
1								
2								
3								
4								
5								

Where will students take the assessment(s) for certification?
Who will be responsible for paying each of the certification fees?
Please explain the process for collecting and reporting certificate / credential data to STARS?

Please provide CCRB with the following supporting documentation regarding the requested certifications / credentials:

- Letter of support from the employer(s) on business letterhead that recognizes the proposed certification / credential as valid
- Industry advisory board minutes reflecting the discussion and recommendation of the certification
- Workforce labor market data
- Verification that the certification / credential is portable

CCRB Review Committee's Comments / Justifications for Actions:

Recommendation of the Review Committee:

Request Approved: _____

Request Not Approved: _____

Reviewer's Signature: _____

Reviewer's Signature: _____

Action by the CCRB Director:

Request Approved: _____

Request Not Approved: _____

CCRB Director's Signature: _____

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS BUREAU
POLICY AND PROCEDURES**

**CARL D. PERKINS
RESERVE FUNDING**

POLICY – #2015-01250.2

Pursuant to Section 112 (a)(1) of the Perkins Act, a state may reserve not more than 10 percent of the 85 percent of Perkins pass through funds to make grant awards to eligible recipients to carry out the activities enumerated in Section 135 (local uses of funds). New Mexico takes advantage of this optional set-aside through the administration of the reserve funds. It is the policy of the Public Education Department (PED) College and Career Readiness Bureau (CCRB) to allocate the 10 percent reserve on a competitive basis by releasing applications for eligible Local Education Agencies (LEAs).

PROCEDURE

At the time of release of the application, interested LEAs must be eligible recipients for CTE activities described in Section 135 in:

- A. **Rural Areas** – LEA must meet the Rural and Low Income School Program (RLISP) eligibility criteria as defined by ESEA Title VI
(<http://www2.ed.gov/programs/reaprlisp/eligible13/index.html>);
- B. **Areas with high percentages of career and technical education students** – 50% or more of the LEA's student population must be enrolled in CTE; and
- C. **Areas with high number of career and technical education students** – LEA must have more than the State's mean number of CTE participants enrolled in the preceding year.

NOTE: New Mexico only allocates Reserve funds to eligible secondary entities (LEAs).

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS BUREAU
POLICY AND PROCEDURES**

**CARL D. PERKINS
RESOLUTION OF FINDINGS AND CORRECTIVE ACTIONS**

POLICY - #2015-01300.1

The Public Education Department (PED) College and Career Readiness Bureau (CCRB) is responsible for monitoring Perkins grant recipients to ensure compliance with local and federal regulations. Monitoring is the regular and systematic examination of all aspects associated with the administration and implementation of a State approved program in an effort to ensure compliance and promote program quality. Following a monitoring visit, CCRB will notify subgrantees of required corrective actions (if any), due date, and required follow up activities.

PROCEDURES

1. Within thirty (30) days after the conclusion of the monitoring visit, CCRB will send written correspondence to the subgrantee. The correspondence will provide an overview of any findings, recommendations, and corrective actions.
2. If applicable, subgrantees will have 30 days to develop a Corrective Action Plan that delineates strategies and a timeline for correcting any findings.
3. CCRB will be available to provide targeted technical assistance to ensure the plan is sufficient, manageable, and timely.
4. CCRB will consider all findings resolved only after the subgrantee has provided sufficient evidence that the Corrective Action Plan has been fully implemented.
5. A closeout letter will be issued to indicate that all findings have been resolved and to document which conditions or restrictions have been lifted.
6. A subgrantee's failure to sufficiently implement its Corrective Action Plan within the determined timeframe may lead to special conditions or restrictions on the subgrantee's ability to submit claims for reimbursements or to receive grant funds in the future.
Special conditions may include:
 - a. Additional reporting
 - b. Additional onsite monitoring
 - c. Mandatory technical assistance
 - d. Withholding or suspension of grant funds, with appropriate written notification

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS BUREAU
POLICY AND PROCEDURES**

**CARL D. PERKINS
REVIEW AND APPROVAL OF ELIGIBLE RECIPIENT'S PROGRAM OF STUDY**

POLICY - #2015-01400.1

The Public Education Department College and Career Readiness Bureau (PED CCRB) provides technical assistance and support for the improvement of existing state-approved career and technical education (CTE) programs and the development of new CTE programs for secondary and postsecondary institutions. Each program of study incorporates secondary / postsecondary elements as required to meet career and technical education areas that will result in industry-recognized credentials, or associate or baccalaureate degrees. The program of study is a non-duplicative sequence of courses that encompasses rigorous content aligned with challenging academic standards and relevant technical knowledge and skills needed to prepare for further education and careers in current or emerging professions.

PROCEDURES

- A. The approval of programs of study is embedded in the approval of the Perkins application.
- B. The CCRB provides the Request for Application of Basic Grants which provides the template to subgrantees that guides the institutions in the development of programs of study of sufficient size, scope, and quality to meet the requirements of the Perkins Act of 2006.
- C. A Basic Grant application is submitted by the recipients through an online portal – SCORE.
- D. Program of study courses are required to meet the PED graduation requirements and must be aligned with state standards/benchmarks.
- E. Program of study career courses are aligned to pathways and career clusters.
- F. The program of study course curriculum must include industry-recognized standards. In certain fields, National Skills Standards will also be used.
- G. The Basic Grant Evaluation Rubric is used by CCRB grant monitors to review and evaluate the programs of study.
- H. Once the rubric has been completed, the CCRB grant monitor sends the rubric to the eligible recipient's project director or point of contact to discuss necessary revisions.
- I. The applicant makes necessary revisions to the programs of study and sends the revisions to CCRB for approval.
- J. Upon CCRB approval, a program of study is authorized for implementation.

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS BUREAU
POLICY AND PROCEDURES**

**CARL D. PERKINS
SPECIAL POPULATIONS**

POLICY - #2015-01500.1

Perkins IV, Section 3. Definitions, defines special populations as meaning:

- A. Individuals with disabilities
- B. Individuals from economically disadvantaged families, including foster children
- C. Individuals preparing for non-traditional fields
- D. Single parents, including single pregnant women
- E. Displaced homemakers
- F. Individuals with limited English proficiency

The Public Education Department (PED) College and Career Readiness Bureau (CCRB) will continue its provision of educational services under statutory regulations provided by the Individuals with Disabilities Education Act (IDEA) which ensures services to children with disabilities and governs how states and public agencies provide services to persons with disabilities. Additionally, the CCRB will continue implementation of activities under the direct legal parameters covering non-discrimination, planning and program development purposes.

PROCEDURES

- A. To ensure equal access to activities for members of special populations, the CCRB will:
 - 1. Provide funds to eligible secondary and postsecondary entities that have adopted policies of nondiscrimination
 - 2. Ensure that curriculum development, programs of study development, professional development, program articulation between secondary and postsecondary and industry partners, collaborative interactions pertaining to programs developed and / or implemented in conjunction with Workforce Investment Programs, and career technical student organizations are:
 - a. Available to any and all special population students who qualify for career technical education programs in the State of New Mexico.
 - b. That each eligible entity receiving Perkins IV funding has incorporated and implements non-discrimination clauses.
 - c. Has included descriptors in their local applications of their plan(s) for reaching and serving special populations, especially displaced homemakers and non-traditional students.
- B. To ensure non-discrimination against on the basis of their status as members of special populations, the CCRB will:

1. Continue implementation of activities under the direct legal parameters covering non-discrimination, Office of Civil Rights guarantees.
 2. CCRB's technical assistance personnel, during monitoring / compliance visits, professional development activities, or other activities implemented in conjunction with Perkins funding will be diligent in assuring that eligible entities have appropriate assurances in place to prevent discrimination against special populations, especially displaced homemakers.
 3. Training for eligible entities with regard to providing special populations equal access to programs and avoiding discrimination against students in special populations will be offered.
 4. For compliance with Office of Civil Rights regulations, technical assistance will be provided on site at the time of the compliance reviews.
 5. Entities are encouraged to contact the Methods of Administration Coordinator at the CCRB if they should need consultation on any specific issue or question.
- C. To ensure special populations are provided with programs designed to meet or exceed State adjusted levels of performance, and prepare them for further learning and for high skill, high wage, or high demand occupations, CCRB will:
1. Ensure applicants from eligible entities enable special populations and all other participating students the opportunity to engage with programs of study that will be included in the data collection that encompasses the States adjusted levels of performance.
 2. Ensure applicants from eligible entities complete plans for offering Programs of Study that prepare special populations and all other participating students the opportunity to gain skills and knowledge that may lead to high-skill, high-wage, or high demand occupations.
 3. Ensure eligible entities provide data to the CCRB for the intent and purposes of evaluation, planning and program development that will reflect aligned sequences of courses that may include articulated / dual credit opportunities which can result in graduation, a diploma, industry recognized certification, or degree thus preparing special populations and all other participating students for high-skill, high-wage, high-demand occupations.
 4. The CCRB will provide technical assistance to support subgrantees based on Consolidated Annual Report data.
 5. The CCRB will support expansion of the Next Step Plans which include special populations and all other participating students with requisite information on the benefits of lifelong learning and for transitioning into self-sufficiency.

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS
POLICY AND PROCEDURES**

**CARL D. PERKINS
SUPPLEMENT - NOT SUPPLANT**

POLICY - #2015-01600.1

It is the policy of the Public Education Department (PED) College and Career Readiness Bureau (CCRB) to ensure that Perkins funded secondary and postsecondary schools/institutions shall supplement, and not supplant, non-federal funds expended for career and technical education activities in accordance with Perkins Section 311(a), Fiscal Requirements.

PROCEDURES

- A. Federal funds cannot be used to pay for services, staff, programs, or materials that would otherwise be paid for with state or local funds.
- B. Always ask: “What would have happened in the absence of federal funds?”
- C. Tip: Supplement, not Supplant Requirement = EXTRA
- D. Supplanting may be presumed if Perkins funds are used to provide services the subgrantee is required to make available under other federal, state or local laws.
- E. Supplanting may be presumed if Perkins funds are used to provide services the subgrantee provided with state or local funds in the prior year.
- F. Supplanting may be presumed if the subgrantee provides services for non CTE students with non-federal funds and provides the same services to CTE students using Perkins funds.
- G. Administrative Services Division provides consultation as requested to the College and Career Readiness Bureau regarding “supplement, not supplant” issues.

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS BUREAU
POLICY AND PROCEDURES**

**CARL D. PERKINS
USE OF FUNDS BY ELIGIBLE RECIPIENTS TO IMPROVE CTE PROGRAMS**

POLICY – 2015-01700.1

It is the policy of the Public Education Department (PED) College and Career Readiness Bureau (CCRB) to ensure eligible recipients use allocated funds to improve career and technical education programs. By signing application assurances, the local recipients indicate an understanding that they will be held accountable on compliance reviews for meeting the nine required uses as listed in Perkins Section 135. Thus, local recipients of Perkins funds must maintain evidence that funding is being used to meet the nine required uses found in Section 135(b) to be provided during monitoring or technical assistance sessions. All expenditures must be used for current program year benefiting current year students. All aspects of the use of Perkins funds must be supported by data, rationale, a plan, and the school/institution must have the capacity to measure student/program improvement resulting from the use of these funds. Pursuant to the Perkins statute, there are certain mandatory and permissive uses for the grant funds received by recipients.

Recipients are required to use Perkins funds to:

1. strengthen the academic and career and technical skills of students participating in CTE programs, by strengthening the academic and CTE components of such programs through the integration of academics with CTE programs through a coherent sequence of courses, such as career and technical programs of study to ensure learning in –
 - a. the core academic subjects; and
 - b. CTE subjects;
2. link CTE at the secondary level and CTE at the postsecondary level, including by offering the relevant elements of not less than 1 career and technical program of study;
3. provide students with strong experience in and understanding of all aspects of an industry, which may include work-based learning experiences;
4. develop, improve, or expand the use of technology in CTE, which may include –
 - a. training of CTE teachers, faculty, and administrators to use technology, which may include distance learning;
 - b. providing CTE students with the academic and career and technical skills (including the mathematics and science knowledge that provides a strong basis for such skills) that lead to entry into the technology fields; or
 - c. encouraging schools to collaborate with technology industries to offer voluntary internships and mentoring programs, including programs that improve the mathematics and science knowledge of students;
5. provide professional development programs that are consistent with the section 122 (State Plan) to secondary and postsecondary teachers, faculty, administrators, and career guidance and academic counselors who are involved in integrated CTE including –

- a. in-service and pre-service training on –
 - i. effective integration and use of challenging academic and career and technical education provided jointly with academic teachers to the extent practicable;
 - ii. effective teaching skills based on research that includes promising practices;
 - iii. effective practices to improve parental and community involvement; and
 - iv. effective use of scientifically based research and data to improve instruction;
 - b. support of education programs for teachers of CTE in public schools and other public school personnel who are involved in the direct delivery of educational services to CTE students, to ensure that such teachers and personnel stay current with all aspects of an industry;
 - c. internship programs that provide relevant business experience; and
 - d. programs designed to train teachers specifically in the effective use and application of technology to improve instruction;
6. develop and implement evaluations of the CTE programs carried out with funds under this title, including an assessment of how the needs of special populations are being met;
 7. initiate, improve, expand, and modernize quality CTE programs, including relevant technology;
 8. provide services and activities that are of sufficient size, scope, and quality to be effective; and
 9. provide activities to prepare special populations, including single parents and displaced homemakers who are enrolled in CTE programs, for high-skill, high-wage, or high-demand occupations that will lead to self-sufficiency.

As long as all required uses are being addressed, a recipient may use Perkins funds for the following permissive uses:

1. to involve parents, businesses, and labor organizations as appropriate, in the design, implementation, and evaluation of CTE programs authorized under this title, including establishing effective programs and procedures to enable informed and effective participation in such programs;
2. to provide career guidance and academic counseling, which may include information described in section 118, for students participating in CTE programs, that –
 - a. improves graduation rates and provides information on postsecondary and career options, including baccalaureate degree programs, for secondary students, which activities may include the use of graduation and career plans; and
 - b. provides assistance for postsecondary students, including for adult students who are changing careers or updating skills;
3. for local education and business (including small business) partnerships, including for –
 - a. work-related experiences for students, such as internships, cooperative education, school-based enterprises, entrepreneurship, and job shadowing that are related to CTE programs;
 - b. adjunct faculty arrangements for qualified industry professionals; and
 - c. industry experience for teachers and faculty;
4. to provide programs for special populations;

5. to assist career and technical student organizations;
6. for mentoring and support services;
7. for leasing, purchasing, upgrading or adapting equipment, including instructional aids and publications (including support for library resources) designed to strengthen and support academic and technical skill achievement;
8. for teacher preparation programs that address the integration of academic and career and technical education and that assist individuals who are interested in becoming CTE teachers and faculty, including individuals with experience in business and industry;
9. to develop and expand postsecondary program offerings at times and in formats that are accessible for students, including working students, through the use of distance education;
10. to develop initiatives that facilitate the transition of sub-baccalaureate CTE students into baccalaureate degree programs, including –
 - a. articulation agreements between sub-baccalaureate degree granting CTE postsecondary educational institutions and baccalaureate degree granting postsecondary educational institutions;
 - b. postsecondary dual and concurrent enrollment programs;
 - c. academic and financial aid counseling for sub-baccalaureate CTE students that informs the students of the opportunities for pursuing a baccalaureate degree and advises the students on how to meet any transfer requirements; and
 - d. other initiatives –
 - i. to encourage the pursuit of a baccalaureate degree; and
 - ii. to overcome barriers to enrollment in and completion of baccalaureate degree programs, including geographic and other barriers affecting rural students and special populations;
11. to provide activities to support entrepreneurship education and training;
12. for improving or developing new CTE courses, including the development of new proposed career and technical programs of study for consideration by the eligible agency and courses that prepare individuals academically and technically for high-skill, high-wage, or high-demand occupations and dual or concurrent enrollment opportunities by which CTE students at the secondary level could obtain postsecondary credit to count towards an associate or baccalaureate degree;
13. to develop and support small, personalized career-themed learning communities;
14. to provide support for family and consumer sciences programs;
15. to provide CTE programs for adults and school dropouts to complete the secondary school education, or upgrade the technical skills, of the adults and school dropouts;
16. to provide assistance to individuals who have participated in services and activities under this Act in continuing their education or training or finding an appropriate job, such as through referral to the system established under section 121 of the Workforce Investment Act (Establishment of one-stop delivery systems);
17. to support training and activities (such as mentoring and outreach) in nontraditional fields;
18. to provide support for training programs in automotive technologies;
19. to pool a portion of such funds with a portion of funds available to not less than 1 other eligible recipient for innovative initiatives, which may include –

- a. improving the initial preparation and professional development of CTE teachers, faculty, administrators, and counselors;
 - b. establishing, enhancing, or supporting systems for –
 - i. accountability data collection under this Act; or
 - ii. reporting data under this Act;
 - c. implementing career and technical programs of study as described in the State Plan; or
 - d. implementing technical assessments; and
20. to support other CTE activities that are consistent with the purposes of this Act.

PROCEDURES

The CCRB ensures compliance with the required use of funds, EDGAR and Uniform Grant Guidance by:

1. Evaluating Basic Grant applications utilizing the Basic Grant Evaluation Rubric. Monitors will request necessary revisions, amendments, or adjustments be made prior to granting substantial approval.
2. Ensuring that the Program of Study Budgets aligns with approved activities within the application.
3. Confirm that account expenditures align with Uniform Grant Guidance and EDGAR requirements.
4. Upon the request for any claims CCRB has already pre-approved all items in the Program of Study Budget.
5. Ensure Requests for Reimbursement (RfRs) are supported by the submission of a detailed ledger and support documentation justifying claim. Claims are evaluated against the Program of Study budget as approved in the Basic Grant application.
 - a. RfR's: Approved for purchase. Equipment purchases on this claim received prior approval pursuant to the approval of the local application.
 - b. BAR's: Budget for equipment is authorized as preapproval for items have been issued in local application.
6. In the event of disagreement, differences may be reconciled or may result in non-payment due to expenditure without prior approval.
7. In the event that an Institution leaves 15% or more in funding in budget the institution will be placed a Financial Cash Management Plan.
 - a. The institution will produce a corrective action plan for the upcoming school year to ensure that they expend all finances by end of fiscal year using a CCRB template.
 - b. In the event that the institution leaves 15% or more the following year, the institution will be placed on a month-month monitoring to ensure that they are expending funds.

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS BUREAU
POLICY AND PROCEDURES**

**CARL D. PERKINS
USE OF PERKINS FUNDS TO PURCHASE EQUIPMENT**

POLICY - #2015-01800.1

Subgrantees of the Federal Perkins Award (herein referenced as subgrantees) are required to maintain equipment management policies and procedures. All equipment purchased with Perkins funds shall be used for the specified and approved career and technical education program and upon receipt must be located within that program for use by current year students. The subgrantee is responsible for maintaining local inventory of equipment as well as implementing a control system to ensure adequate safeguards to prevent loss, damage or theft of the equipment. The title to equipment acquired under a subgrant will vest upon acquisition of the subgrantee.

PROCEDURES

A. Actual Equipment Purchase

1. The subgrantee is responsible for purchasing equipment approved by the Public Education Department (PED) College and Career Readiness Bureau (CCRB) for use in career and technical education programs. All local and state laws, regulations, and procedures must be followed in the purchase of equipment. After a subgrantee has been notified that the equipment has been approved for purchase, a signed purchase order must be executed.
2. Equipment purchased by subgrantees with funds provided by CCRB must meet all federal and state occupational safety and health administration rules and regulations. Subgrantees must comply with all equipment installation and maintenance rules and regulations provided by the vendor when purchase is made.
3. The subgrantee is responsible for developing a plan for a systemic method for continual updating of equipment to avoid obsolescence and fluctuating equipment budgets / purchases from year to year.
4. Equipment needs to be received and be operational in sufficient time to make an impact on the current program serving current program students.
5. All equipment purchased with Perkins funds will be identified as Perkins-purchased equipment with a permanent label / tag. Equipment must be tagged upon receipt by the subgrantee. The assigned identification tag must be attached with the inventory number identified.
6. Property records shall be accurately maintained for each item of equipment. The records shall include the following information:

- a. Description of equipment
- b. Acquisition date and cost of property
- c. Serial number or other identification number
- d. Location, use and condition of equipment
- e. Any disposal data including the date of disposal and sale price of the property

B. Use of Equipment Purchased with Perkins Funds

1. Equipment purchased for a specific career and technical education program must be located in the specified and approved program. Career and technical education equipment may be used for other instructional programs if the other use of the equipment is after schools hours or on weekends and does not interfere with CCRB approved career and technical education programs.
2. The subgrantee shall be solely responsible for the repair and / or replacement of any item lost, damaged, stolen or destroyed. No reimbursement shall be made by PED CCRB to the subgrantee for any loss, damage, theft, or destruction of the equipment.
3. A control system for all equipment shall be in effect by the subgrantee to ensure adequate safeguards for the prevention of loss, damage, theft, or destruction of the equipment. The subgrantee will be responsible for replacing or repairing (with funds of the subgrantee) equipment that is lost, damaged, destroyed or stolen.
4. Adequate maintenance procedures, such as maintenance contracts, shall be implemented by the subgrantee to keep the equipment in good working condition. The cost of such maintenance is the responsibility of the subgrantee.

C. Equipment Disposition

When there is no longer a need for a specific piece of equipment to accomplish the purpose of the career and technical education program, or if the equipment becomes worn out or obsolete, the subgrantee will dispose of the equipment using the following:

- a. Notify the PED CCRB Education Administrator of equipment to be disposed
- b. Subgrantee shall adhere to Uniform Grant Guidance 2 C.F.R. §200.313

**PUBLIC EDUCATION DEPARTMENT
COLLEGE AND CAREER READINESS BUREAU
POLICY AND PROCEDURES**

**CARL D. PERKINS
BUDGET AUTHORITY AND GRANT SPEND-DOWN**

POLICY - #2016-01900.0

Pursuant to EDGAR section 76.708, PED CCRB may allow a recipient who has submitted a “substantially approvable application” to begin to obligate funds even through the recipient’s local application may not be finally approved.

PROCEDURES

- Subgrantees are advised of their initial planning awards via web posting on the Administrative Services Division (ASD) page in April for each ensuing basic grant year. Posting lists information by fund and entity. The information for board approval is written into the context of an email so that this item is placed on board agendas for approval immediately. Planning awards are based on 90% of prior year funded amounts. Planning awards are to be considered a good faith commitment for subgrantees who have applied for Perkins funding.
- **For secondary institutions only:** Perkins monitors will follow up to ensure that program managers have included planning award amount(s) as an agenda item for their upcoming board meeting for approval in order to establish budget authority in May.
- Once budget authority has been established, Perkins monitors approve Budget Adjustment Requests (BARs) for spend-down / expenditures only if the Perkins application is **substantially** or **fully approved**.
- Requests for Reimbursements (RfRs) cannot be submitted until the subgrantee’s application is fully approved.
- The CCRB will send Final Award Letters to subgrantees for the purpose of announcing remaining 10% balance allocations.
- Upon receipt of the Final Award Letters, subgrantees must submit a BAR for the 10% allocation. Amendments to the current Perkins application must be made to show allocation of the amounts listed in the Final Award Letters.