

FY2018 PERKINS GUIDELINES FAQ

GENERAL:

1. How does the ICCB determine allocations?

The ICCB utilizes a formula based on CTE Pell count to divide and disseminate Perkins funds. In previous years, total college Pell count was the basis for the formula; FY2018 will be the second year the ICCB has utilized CTE Pell count. CTE Pell count data is derived from the college's annual A-1 report submission. A 5% loss limit will be in place for FY2018. This 5% loss limit is calculated based upon the difference between overall Pell count and CTE Pell count. It should be noted that large increases enjoyed by some colleges may not persist from year to year as the reporting of these data stabilize.

2. What falls under general administration?

General Administration refers to organized administrative activities that provide assistance and support to CTE students, including activities specifically designed to provide administrative or managerial support for CTE programs.

3. Is a detailed narrative required for each budget category on the Uniform Budget?

No. Detailed narratives within the budget are only required for Personnel, Benefits, and Travel (due to the removal of the Salary and Benefits Form). Details pertinent to the remaining expenditure categories should be thoroughly described in the Perkins Plan Narrative.

4. Where do printing costs go?

Printing costs can be categorized under General Administration or Supplies.

5. Where do faculty stipends go?

Faculty stipends typically fall within the Contractual Expenditure category. However, some colleges categorize stipends under Personnel (salary and wages). Please check with your local business office.

6. Where do tutors go? Should tutors be listed individually?

Tutors can be listed under the following expenditure categories: Personnel or Contractual. Tutors can be listed individually or as an aggregate. Paraprofessional tutors should be listed separately. Please check with your local business office for more details.

7. Where do yearly software license renewals go?

License renewals would fall under Equipment or Supplies depending on cost (see question 8), even if an item has a specified contract date.

8. How do you determine whether something is a supply or equipment?

Equipment is defined as an article of tangible personal property that has a useful life of more than one year and a per-unit acquisition cost which equals or exceeds \$5,000 (*2 CFR 200.33*). Items which do not fall under these guidelines are typically classified as **supplies**. Generally, supplies include any materials which are expendable or consumed during the course of the grant year or items under \$5,000 regardless of their useful life. Such items

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include: office supplies, postage, training materials, books, and computing devices. (2 CFR 200.94)

9. Can equipment under \$5,000 be listed on the equipment tab?

Yes. An applicant organization may classify equipment at a lower dollar value but cannot classify it higher than \$5,000. (Note: Organization's own capitalization policy for classification of equipment can be used.)

10. What are the necessary processes and procedures for managing equipment that is purchased with grant funds?

Procedures for managing equipment must meet the following requirements:

1. Property Records: Description, serial number or other ID, source of funding, title, acquisition date and cost, percent of federal participation, location, use and condition, and ultimate disposition date including sale price
2. A physical inventory must be conducted at least every two years
3. Control system to prevent loss, damage, and theft (All incidents must be investigated)
4. Adequate maintenance procedures

If authorized or required to sell property, proper sales procedures must be in place to ensure the highest possible return.

11. When do I need to get two separate price quotes before making a purchase?

If the unit price of the good or service being purchased is between \$3000 and \$150,000, the provider MUST obtain price or rate quotes from no less than two separate vendors. The vendor should choose the most economical option.

12. What if the first quote is cheaper than the second quote, but the second quote provides free shipping?

The most economical option is not always the quote with the smallest unit price. If a quote is more expensive, but offers delivery, assembly, training, or any other benefit that is not offered by the cheaper quote, the provider should consider the cost benefits of this while making the purchase.

13. Is student travel an allowable Perkins expense?

Perkins funds cannot be used to pay for an individual student's activities or efforts, unless that student is a member of a special population, as defined by Perkins and the activity attempts to overcome a barrier for this student. This is considered direct student support which is allowed only in limited circumstances. Please see Section 1.5 of the Perkins Grant Manual for more details. Perkins funds can be used to cover the cost of travel for a class of students traveling to a CTE-related professional conference or workshop that is an integral part of the program. Student travel must be listed under the Travel expenditure category and thoroughly detailed in the Program Narrative. Travel costs may include conference and meeting expenses and travel (in or out of state).

14. Should only out-of-state travel be detailed under the Travel expenditure category?

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No, both in state travel and out-of-state travel should be included. Out-of-state travel requires additional details. If pertinent details are not available before plan submission, the college must complete the Out-of-State Travel Request Form prior to travel. The form is to be sent to cte@iccb.state.il.us or your ICCB Perkins liaison.

15. Can I use grant funds to throw parties for students, convocation costs, or to buy gifts/prizes/rewards for students or instructors?

No. Entertainment costs (2 CFR 200.438) are not allowed unless it can be proven that they are necessary for the program.

16. Can I advertise with grant funds?

Yes. Advertising is allowed but there are VERY specific rules on how a provider must advertise if they are using grant funds to pay for the advertisement.

17. Can I use grant funds to pay for Selling or Marketing Costs?

No. Unless these costs can be explained as an advertising cost, they are not allowed.

18. How do I know if a cost is allowable or not allowable?

All costs must be necessary for the program, reasonable, and allocable. A good rule of thumb is to ask, "If someone were to investigate this purchase, would I be able to defend it and explain that it was necessary, reasonable, and allocable?" All expenses should be geared toward meeting the requirements of the Carl D. Perkins Act of 2006. If additional guidance is required, the Postsecondary CTE Grant Manual can be a beneficial resource as well as the college's Perkins liaison.

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BUDGET MODIFICATIONS:

19. When should a budget modification be submitted?

Grantees are allowed to make modifications up to ten percent (10%) of their total allocation, less a major change in scope, prior to seeking approval. Modifications that require a major change in scope or are greater than ten percent (10%) of their total allocation require the submission of a budget modification request (2 C.F.R. 200.308).

20. What is the process for completing a budget modification?

- I. When a budget modification request is needed based on the rule above, colleges must complete the Budget Modification Request Form (final tab in the Uniform Budget) which is subject to prior approval.
- II. On the Budget Modification Request Form, the college's original budget will already be tabulated in the Original Budget Column. Insert the appropriate amounts in the Budget Modification Column. The spreadsheet will self-tabulate the Revised Budget Column.
- III. Complete the Budget Modification narrative. Once modifications have been made, the college must ensure that all elements in the Perkins plan are still being fulfilled.
- IV. **Do not** change the amounts on the original, ICCB-approved budget located in Section A of the Budget Spreadsheet.
- V. Once the budget modification form is complete, revise the amounts on the corresponding expenditure category tabs (e.g. if you moved \$20,000 from Travel to Equipment, revise the Travel and Equipment tabs accordingly).
- VI. Save the Revised Uniform Budget accordingly: College Name, Revised Budget (#) and the date (i.e. Perkins College Revised Budget #1 04.01.17).
- VII. Submit via email to your ICCB Perkins liaison or to cte@iccb.state.il.us.
- VIII. Once approved, all future budget modifications will no longer be based on the original budget but the most recent ICCB-approved budget, located within the Budget Modification tab.

21. What if I move money little by little over the fiscal year but no *one* modification meets the threshold for completing a modification request?

Colleges are allowed to move up to 10% of their total allocation. Typically a budget modification request form is submitted when one large modification is made. However, colleges may realize that over a period of time their original budget and their current budget (based on modifications) has experienced over a 10% change. A budget modification request form is to be filed before this threshold is met. Please see the following examples.

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No modification required:

FY2018 Perkins Budget Modification Request Form			
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Institution:	BTM	Date Submitted:	3/23/2017
Budget Expenditure Categories	Original Budget	Budget Modification	Revised Budget
Personnel (Salaries & Wages)	\$ 37,500.00		\$ 37,500.00
Fringe Benefits	\$ 1,800.00		\$ 1,800.00
Travel	\$ 3,550.00		\$ 3,550.00
Equipment	\$ 6,080.00		\$ 6,080.00
Supplies	\$ 15,000.00	-500	\$ 14,500.00
Contractual Services	\$ 16,320.00		\$ 16,320.00
Consultant (Professional Services)	\$ 14,400.00		\$ 14,400.00
Training & Education	\$ 350.00	500	\$ 850.00
Other (Requires Prior Approval)	\$ -		\$ -
Total Direct Costs (Subtotal)	\$ 95,000.00		\$ 95,000.00
Indirect Costs/General Administration	\$ 5,000.00		\$ 5,000.00
Total	\$ 100,000.00		\$ 100,000.00

One movement over the 10% threshold:

FY2018 Perkins Budget Modification Request Form			
BUDGET MODIFICATIONS: Grantees are allowed to make modifications up to ten percent (10%) of their total allocation, less a major change in scope, prior to seeking approval. Modifications that require a major change in scope or are greater than ten percent (10%) of their total allocation require the submission of a budget modification request (2 C.F.R. 200.308). All requests regarding budget modifications should be submitted to: cte@iccb.state.il.us .			
Institution:	BTM	Date Submitted:	3/23/2017
Budget Expenditure Categories	Original Budget	Budget Modification	Revised Budget
Personnel (Salaries & Wages)	\$ 37,500.00		\$ 37,500.00
Fringe Benefits	\$ 1,800.00		\$ 1,800.00
Travel	\$ 3,550.00		\$ 3,550.00
Equipment	\$ 6,080.00	13,320	\$ 19,400.00
Supplies	\$ 15,000.00		\$ 15,000.00
Contractual Services	\$ 16,320.00	-13,320	\$ 3,000.00
Consultant (Professional Services)	\$ 14,400.00		\$ 14,400.00
Training & Education	\$ 350.00		\$ 350.00
Other (Requires Prior Approval)	\$ -		\$ -
Total Direct Costs (Subtotal)	\$ 95,000.00		\$ 95,000.00
Indirect Costs/General Administration	\$ 5,000.00		\$ 5,000.00
Total	\$ 100,000.00		\$ 100,000.00

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Several movements that total over the 10% threshold:

In October, Harry (the Perkins Coordinator for BTM Community College) moved \$500 from Supplies to Training & Education. Harry does not need to submit a budget modification, as \$500 falls below the 10% threshold (\$10,000). December rolls around and Harry needs to move more money. He moves \$1,200 from General Administration to Consultant, and \$6,000 from Contractual Services to Personnel. In order to determine whether or not Harry should submit a budget modification, he must total the amount of money he has moved to date, i.e. the \$500 in October and the \$1,200 and \$6,000 in December to determine if he has exceeded the 10% threshold. As the total amounts to \$7,700, Harry does not need to submit a budget modification. Come March, Harry decides to move \$2,500 from Travel to Equipment. While this specific movement of money does not exceed the 10% threshold, once again, Harry must total the amount of money he has moved to date, i.e. the combined total of \$7,700 from October and December and the \$2,500 from March. As the total year-to-date modification amounts to \$10,200, Harry must submit a budget modification because his modifications have exceeded the 10% threshold from his original, approved budget.

FY2018 Perkins Budget Modification Request Form

BUDGET MODIFICATIONS: Grantees are allowed to make modifications up to ten percent (10%) of their total allocation, less a major change in scope, prior to seeking approval. Modifications that require a major change in scope or are greater than ten percent (10%) of their total allocation require the submission of a budget modification request (2 C.F.R. 200.308). All requests regarding budget modifications should be submitted to: cte@iccb.state.il.us.

Institution:	BTM	Date Submitted:	3/23/2017
Budget Expenditure Categories	Original Budget	Budget Modification	Revised Budget
Personnel (Salaries & Wages)	\$ 37,500.00	6,000	\$ 43,500.00
Fringe Benefits	\$ 1,800.00		\$ 1,800.00
Travel	\$ 3,550.00	-2,500	\$ 1,050.00
Equipment	\$ 6,080.00	2,500	\$ 8,580.00
Supplies	\$ 15,000.00	-500	\$ 14,500.00
Contractual Services	\$ 16,320.00	-6,000	\$ 10,320.00
Consultant (Professional Services)	\$ 14,400.00	1,200	\$ 15,600.00
Training & Education	\$ 350.00	500	\$ 850.00
Other (Requires Prior Approval)	\$ -		\$ -
Total Direct Costs (Subtotal)	\$ 95,000.00		\$ 96,200.00
Indirect Costs/General Administration	\$ 5,000.00	-1,200	\$ 3,800.00
Total	\$ 100,000.00		\$ 100,000.00

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GATA-RELATED QUESTIONS:

22. Is grantee registration, prequalification and risk assessment required for non-competitive grants?

Yes, all grantees are required to register, complete the pre-qualification and risk assessment prior to the award of a grant.

23. What is Data Universal Numbering System?

The Data Universal Numbering System number is commonly referred to as the DUNS number. A DUNS number is a unique, non-indicative 9-digit identifier issued and maintained by D&B that verifies the existence of a business entity globally. D&B assigns DUNS numbers for each physical location of a business.

24. Which agency is responsible for the official DUNS number for the subrecipient?

Each grantee or potential grantee is responsible for obtaining a DUNS number.

25. What does ICQ stand for?

Internal Control Questionnaire

26. Who is centrally responsible for risk assessment?

The pre-qualification risk assessment (ICQ) is handled centrally from www.grants.illinois.gov. The awarding agency is responsible for administering the programmatic risk assessment.

27. Are risk assessments to be performed per application or per applicant, if a college receives multiple grants from the same agency?

Fiscal and administrative risk assessments are performed centrally, once for the entity. Programmatic risk assessments are tied to the award being applied for. A separate programmatic risk assessment will be required for each application/grant.