

Career and Technical Education (CTE) Finance Update



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CTE Base and Performance Grant

- **Established in the 2018-19 school year**
- **Replaced the following CTE funding:**
 - ❑ Salary Reimbursement
 - ❑ Student Services Reimbursement (At-Risk funding)
 - ❑ Effectiveness Index Formula
- **Based on CTE data submitted in MOSIS and Core Data**
- **Deadline for budgets to be submitted in ePeGS is July 1**

<https://dese.mo.gov/financial-admin-services/career-and-technical-education-cte-finance/state-cte-finance>



CTE Base and Performance Grant

- **CTE Base Funding:**
 - Secondary (Area Career Centers and High Schools)
 - Postsecondary
 - Adult
- **CTE Performance Funding:**
 - Secondary ONLY (Area Career Centers and High Schools)
- **Each LEA will receive one grant allocation in ePeGS which could possibly be comprised of multiple amounts (check allocation spreadsheet for details)**



CTE Base and Performance Grant

- **Funds must be used to support DESE approved CTE programs**
- **Funds may be used for the following:**
 - Salaries/benefits of CTE teachers and counselors
 - Instructional equipment and supplies for CTE programs
 - Professional development for CTE teachers and counselors
 - Tuition fees for students enrolled in CTE programs at area career centers
 - Other expenditures that the LEA deems appropriate to support CTE programs
- **Expenditures must adhere to the funding guidelines and the List of Allowable and Unallowable Costs**



CTE Base and Performance Grant

CTE Base Funding—Secondary (Area Career Centers)

- **Core Support:**
 - Each Area Career Center will receive core support of \$75,000
- **Career Ed Time Devoted (CTD):**
 - The Department will use the October Cycle in Core Data—Educator (Screen 18) and Course & Assignment (Screen 20) to obtain the educator FTE and CTD data (This data is linked to the June Student Course Completion file in MOSIS)
 - The Department will total the FTE and CTD for educators at each LEA who are properly certificated and teaching DESE approved CTE programs
 - The Department will multiply the total CTD for each LEA by \$2,500



CTE Base and Performance Grant

CTE Base Funding—Secondary (Area Career Centers) (CONTINUED)

■ Credits Earned:

- ❑ The Department will use the June Student Course Completion file in MOSIS to obtain the credits earned data
- ❑ The Department will total the number of credits earned for each LEA (credits will be capped at 1,750)
- ❑ The Department will then divide the LEA's number of credits earned by the state-wide total of credits earned in order to calculate a credits earned percentage
- ❑ The Department will multiply the credits earned percentage for each LEA by the total funds available for CTE Base Funding



CTE Base and Performance Grant

CTE Base Funding—Secondary (Comprehensive High Schools)

- **Career Ed Time Devoted (CTD):**

- ❑ The Department will use the October Cycle in Core Data—Educator (Screen 18) and Course & Assignment (Screen 20) to obtain the educator FTE and CTD data (This data is linked to the June Student Course Completion file in MOSIS)
- ❑ The Department will total the FTE and CTD for educators at each LEA who are properly certificated and teaching DESE approved CTE programs
- ❑ The Department will then divide the LEA's number of CTE by the state-wide total of CTD in order to calculate a CTD percentage
- ❑ The Department will multiply the CTD percentage for each LEA by the total funds available for CTE Base Funding



CTE Base and Performance Grant

CTE Base Funding—Postsecondary (Institutions of Higher Education)

■ Credit Hours:

- ❑ The Department will use the PS/Adult Course Assignment file in MOSIS to obtain the credit hour data
- ❑ The Department will total the number of credit hours taught in DESE approved CTE programs for each LEA
- ❑ The Department will then divide the LEA's number of credit hours by the state-wide total of credit hours in order to calculate a credit hour percentage
- ❑ The Department will multiply the credit hour percentage for each LEA by the total funds available for CTE Base Funding



CTE Base and Performance Grant

CTE Base Funding—Adult

- **Full-Time (500 or more contact hours of instruction):**
 - The Department will use the PS/Adult Course Assignment file in MOSIS to obtain the instructor and contact hour data
 - The Department will total the number of educators at each LEA who are properly certificated and teaching 500 or more contact hours of instruction in DESE approved CTE programs
 - The Department will then multiply the LEA's number of full-time instructors by \$15,000



CTE Base and Performance Grant

CTE Base Funding—Adult (CONTINUED)

- **Short-Term (up to 499 contact hours of instruction):**
 - The Department will use the PS/Adult Course Assignment file in MOSIS to obtain the instructor and contact hour data
 - The Department will give funding priority to CTE programs in high demand occupations
 - The Department will then multiply the instructor's number of contact hours of instruction by \$10



CTE Base and Performance Grant

CTE Performance Funding—Secondary (Area Career Centers and Comprehensive High Schools)

■ Placement:

- ❑ The Department will use the June Student Core and Attendance file in MOSIS to obtain the completer data
- ❑ The Department will use the Student Graduate Follow-Up file in MOSIS to obtain the placement data
- ❑ The Department will total the number of completers for each LEA that were positively placed in employment, continuing education, or military
- ❑ The Department will then divide the LEA's number of completers that were positively placed by the state-wide total of completers that were positively placed in order to calculate a positive placement percentage
- ❑ Lastly, the Department will multiply the positive placement percentage for each LEA by the total funds available for CTE Performance Funding



CTE Base and Performance Grant

Access to the CTE Base and Performance Grant in ePeGS

■ **School Districts:**

- ❑ Access to this grant in ePeGS must be provided by the User Manager at the district
- ❑ The user must have Authorized Representative permission to be able to submit the CTE Base and Performance Grant

■ **Institutions of Higher Education:**

- ❑ Access to this grant in ePeGS is provided by DESE upon the completion and submission of the Web Systems User ID Request Form-Public located at:
<https://dese.mo.gov/data-system-management/user-managerlogin-request-forms>
- ❑ The user must have Authorized Representative permission to be able to submit the CTE Base and Performance Grant



CTE Base and Performance Grant

Contact Info for the CTE Base and Performance Grant in ePeGS

■ LEA Contact:

- ❑ This individual will receive automated emails from the system regarding the status of the grant in ePeGS
- ❑ The LEA Contact information is populated into ePeGS from the Data Collection System which is accessed through Web Applications—Data Collection
- ❑ LEAs must ensure that the contact information reported in the August Cycle under Screen 3 District Contact Personnel is accurate and up-to-date
- ❑ The system emails (budget, payment request, and FER approval or disapproval) will be sent to the contact listed on this screen



CTE Base and Performance Grant

- **CTE Base Funding Levels (FY2020):**
 - Secondary (Area Career Centers) \$11,500,000
 - Secondary (Comprehensive High Schools) \$ 4,000,000
 - Postsecondary \$ 4,000,000
 - Adult \$ 4,200,000
 - \$23,700,000**

- **CTE Performance Funding Levels (FY2020):**
 - Secondary (Area Career Centers) \$ 5,000,000
 - Secondary (Comprehensive High Schools) \$ 1,000,000
 - \$ 6,000,000**



CTE Base and Performance Grant

■ Miscellaneous Information

- ❑ There are 467 LEAs that are eligible to receive an allocation from this grant
- ❑ This is an annual formula grant in which DESE allocates funds to the LEAs
- ❑ Currently in the second year of the three-year phase-in for the Base Funding at area career centers
- ❑ This is a State funded grant so there are no supplanting or time and effort requirements
- ❑ There are no match requirements with this grant (100% funding)
- ❑ For secondary LEAs with an adult allocation, those funds should be budgeted and expended under Function Code 1621
- ❑ There have been security issues with the grant regarding access and users being able to submit budgets, payment requests, and FERs in ePeGS



CTE Program Improvement Grant

- **Established in the 2018-19 school year**
- **Replaced the following CTE funding:**
 - ❑ 50/50 Career Education Equipment/Educational Resources Grant
 - ❑ Family and Consumer Sciences Grant
 - ❑ Technology and Engineering Grant
- **Grant funds are program specific with the goal of improving CTE programs through the purchase of equipment and curriculum resources and the support of professional development and teacher training**
- **Deadline for this grant to be submitted to the Department is July 1**



CTE Program Improvement Grant

- To be eligible for this grant, the LEA must have a DESE approved CTE program
- A match of 50% will be required from local funds on all approved costs
- LEAs will have to complete the 50/50 Career Education Equipment/Educational Resource Information form
- In addition, the FV-4 and FV-2 will be used as the financial documentation for this grant

<https://dese.mo.gov/financial-admin-services/career-and-technical-education-cte-finance/forms-applications>



CTE Incentive Payment

- **One-time payment at the end of the fiscal year as a result of any unspent funds from the various CTE grants and programs**
- **Replaced the surplus amount that was distributed through the Effectiveness Index Formula**
- **The payment amount is based on the same CTE placement data used for the performance component of the CTE Base and Performance Grant**
- **Funds are provided to LEAs to recognize and reward performance as a result of achieving certain CTE performance measures**
- **Only area career centers will receive the CTE Incentive Payment**
- **Funds MUST be used to support DESE approved CTE programs**



Federal Requirements—Perkins

Separate Accounting

- Perkins grant must be separated from other funding sources (i.e. local funds, state funds, and other Federal funds)
- Perkins funds may not be co-mingled with other funds so that they lose their identity
- Expenditures must be traceable to the source of funding
- The LEA must have a separate account or accounting code for the Perkins grant that identifies the line items of the Perkins budget and expenditures (Project Code 42700—Postsecondary and Project Code 42701—Secondary)
- Expenditures coded to the Perkins account can NOT exceed the Perkins allocation



Federal Requirements—Perkins

Source Documentation

- Perkins expenditures must be able to be traced back to a source document
- Accounting records must be supported by source documentation such as purchase orders, invoices, expense reports, time and effort records, contracts, etc
- LEAs must retain the documentation for at least 3 years from the date of the submission of the final expenditure report (FER)



Federal Requirements—Perkins

Cash Management

- **Perkins financial records must show that the LEA spent the Federal funds as required by the Cash Management Improvement Act (CMIA)**
- **The CMIA was implemented to prevent the earning of interest on Federal funds**
- **Payment requests submitted by the LEA must be for reimbursements only**
- **Advance payments of Federal funds are not allowed**



Federal Requirements—Perkins

Obligation of Funds

- **To obligate funds is to reserve, commit, or set-aside for a specific purpose**
- **Perkins funds can NOT be obligated until the application is submitted in substantially approvable form or July 1, whichever is later**
- **Substantially approvable form is when the Perkins application (budget and plan) has been completed accurately and submitted in ePeGS and the Compliance Plans system without any errors**



Federal Requirements—Perkins

Period of Performance

- **The period of availability is now referred to as the period of performance**
- **An LEA may use Perkins funds only for obligations it makes during the grant period of performance**
- **The period of performance for Perkins funds runs from the date the application was substantially approved to June 30 of each fiscal year**
- **Obligations must occur within the period of performance**
- **LEAs have an additional three months (July, August, and September) to liquidate Perkins obligations after the period of performance ends as long as the obligation occurred prior to June 30**



Federal Requirements—Perkins

Supplanting

- **Perkins funds must be used to supplement and not supplant non-Federal funds**
- **Supplanting is presumed to have occurred when:**
 - An LEA used Federal funds to provide services which were provided with non-Federal funds in the prior year
- **For Perkins, changes in funding for supplies, equipment, and PD costs are not considered to be supplanting (supply/equipment items are different each year based on the needs of the program and the content of PD activities is usually different as well)**
- **For Perkins, when reviewing for supplanting issues, the primary focus is on services (salaries of employees, contracted services, and project costs that occur on an annual basis)**



Federal Requirements—Perkins

Identification of the Award

- **The financial management system of the LEA must include:**
 - CFDA Title and Number
 - Federal Award Identification Number (FAIN)
 - Fiscal Year of Award
 - Name of the Federal Agency
 - Name of the Pass-Through Entity
- **This information must be included in the LEA accounts (chart of accounts, general ledger, accounting system, or Federal Award Identification spreadsheet created by DESE)**
- **The Federal award identification information is included on the Perkins Grant Allocation spreadsheet each fiscal year**



Federal Requirements—Perkins

Time and Effort

- **School Districts:**

- Semi-Annual Time Certification (may also use Alternative form)
- Personnel Activity Report (PAR)

- **Institutions of Higher Education:**

- Time and Effort Report

- **The sample time and effort documents are located on the General Federal Guidance page at the following address:**

<https://dese.mo.gov/financial-admin-services/general-federal-guidance>



Federal Requirements—Perkins

Stipends/Extra-Duty Pay

- **Stipends and extra-duty pay must be supported by a signed written agreement between the employee and the LEA**
- **The written agreement must:**
 - Indicate the extra work to be performed
 - Indicate the date(s) of performance
 - Indicate the amount or rate to be paid to the employee
 - Be signed by the employee and the LEA to show the acceptance of the terms
- **In addition, the employee must prepare time and effort documentation once the work is completed (i.e. semi-annual time certification, PAR, or Time and Effort Report)**



Federal Requirements—Perkins

Equipment

- **Equipment is defined as tangible personal property having a useful life of more than one year and an acquisition cost of \$1,000 or more per unit**
- **LEAs must complete the Capital Outlay page in ePeGS to receive prior approval for equipment purchases from the Perkins grant**
- **Equipment items must meet the following requirements:**
 - Have an instructional use
 - Improve the career and technical education program
 - Strengthen and support academic and technical skill achievement



Federal Requirements—Perkins

Inventory Management

- **The following items are subject to the inventory management and control requirements:**
 - ❑ Equipment items with an acquisition cost of \$1,000 or more per unit
 - ❑ Software licenses that cost \$5,000 or more
 - ❑ Items with an acquisition cost under \$1,000 per unit which are considered attractive or easily pilfered (i.e. cameras, laptops, iPads, cell phones, power tools)



Federal Requirements—Perkins

Equipment Inventory

- **Equipment records must be maintained by the LEA and include the following:**
 - Description of the equipment
 - Serial number or other identification number
 - Source of funding for the equipment
 - Federal Award Identification Number (FAIN)
 - Acquisition date
 - Cost of the equipment
 - Percentage of Federal participation in the cost of the equipment
 - Location of the equipment
 - Use and condition of the equipment
 - Ultimate disposition data



Federal Requirements—Perkins

Software Guidance

- **Computer software can be purchased, subscribed to, or internally generated**
- **Software meeting the following criteria would be considered equipment and paid out of the Capital Projects Fund:**
 - Software license that is bought that costs \$5,000 or more
 - Internally created software costing \$5,000 or more
- **Software that meets the criteria above would need to be reported on the Capital Outlay page in ePeGS to receive prior approval by the Department**
- **In addition, the software would need to be included on the LEA's equipment inventory**
- **Software purchases costing less than \$5,000 would be considered materials and supplies**
- **Annual maintenance agreements and subscription fees to access online programs (no matter the cost) would be considered purchased services**



Federal Requirements—Perkins

Written Policies and Procedures

- Allowability Procedure
 - Cash Management Procedure
 - Procurement Procedure
 - Time and Effort Procedure
 - Travel Policy
- For additional information on these policies and procedures, please refer to the *Uniform Grant Guidance—Policy and Procedure Checklist* located on the General Federal Guidance page at the following address:

<https://dese.mo.gov/financial-admin-services/general-federal-guidance>



Federal Requirements—Perkins

Travel Justification

- **LEAs must retain documentation that participation of an individual is necessary to the Federal award and that the costs are reasonable and consistent with the LEA's travel policy:**
 - Written justification memo/statement
 - Travel approval/authorization form
 - Prior written approval
- **Documentation should also include a copy of the agenda for the conference/meeting (this proves allocability to the Federal award)**



ePeGS

CTE Grants

- For FY2020, the order of the pages in ePeGS was changed for the CTE grants
- The order of the pages in the system is now 1) Budget Grid, 2) Capital Outlay Page, 3) Salaries and Benefits Page, and 4) Submittal and Approval Page
- The functionality of the pages is still the same, only the order of the pages is different
- The change was made to be consistent with the other grants in the Department



ePeGS

Budget Grid

- LEAs must complete the Budget Grid for purchased services and materials & supplies
- The data for salaries/benefits and capital outlay are populated from the supporting data pages
- Review budget and actual expenditures monthly or at least quarterly—must ensure good fiscal management
- Must have funds budgeted in a cell to report an expenditure
- Budget revisions—deadline to submit a budget revision is February 28 (State CTE Grants) and April 30 (Federal Perkins Grant)
- Budgets are estimates—do not have to agree exactly to how funds are spent



ePeGS

Capital Outlay Page

- LEAs must complete the Capital Outlay page in ePeGS to receive prior approval for equipment purchases
- Enter data on the CTE program area, description of the equipment, unit cost, and quantity
- The system totals the amounts entered and populates the data on the Budget grid



ePeGS

Salaries and Benefits Page

- LEAs must complete the Salaries and Benefits page in ePeGS when paying for salaries/benefits, stipends and/or substitute costs
- For salaries, only report the portion of the FTE and salary amount that will be paid from the grant
- For stipends and substitute pay, report the amount that will be paid from the grant along with an explanation in the District/LEA Comments box
- Include an explanation of any new or increased amounts from the previous year in the District/LEA Comments box
- The system totals the amounts entered and populates the data on the Budget grid



ePeGS

Payment Request

- LEAs must complete a Payment Request in ePeGS when requesting reimbursement
- Must report actual cumulative expenditures (by both object code and function code)—the budget amounts will be displayed above the cells
- Formula used in the system to calculate the payment is: *Actual cumulative program year expenditures to date – Amount paid to date*
- Funds must be budgeted in a cell before a payment can be requested (cells will be grayed out where \$0 has been budgeted)
- A 10% variance is allowed in the system—based on the total budget amount and then compares to the program costs subtotal amounts
- Certification statement must be agreed to before the request is submitted (CMIA requirement)



ePeGS

Payment Schedule

- **Per the Uniform Grant Guidance, the payment of requested Federal funds must be made within 30 calendar days after receipt of the request**
- **The Department allows LEAs to submit up to two payment requests each month in order to comply with the Uniform Grant Guidance**
- **First Payment Request Due Date: 1st of the month**
- **Second Payment Request Due Date: 20th of the month**
- **Payment requests must only include actual cumulative expenditures up to the payment request submission date**



ePeGS

Final Expenditure Report (FER)

- LEAs must complete a FER in ePeGS to close out the grant and it may also serve as the final payment request
- The FER opens on April 1 (State CTE Grants) and July 1 (Federal Perkins Grant)
- The FER is due on or before May 31 (State CTE Grants) and September 30 (Federal Perkins Grant)
- Must report actual total expenditures (by both object code and function code)—the budget amounts will be displayed above the cells
- Funds must be budgeted in a cell to allow an expenditure to be reported (cells will be grayed out where \$0 has been budgeted)
- A 10% variance is allowed in the system—based on the total budget amount and then compares to the program costs subtotal amounts
- Certification statement must be agreed to before the FER is submitted (CMIA requirement)



Coding

CTE Grants

- **Project Codes**
- **Function Codes**
- **Revenue Codes**
- **Perkins Consortium Coding Guidance**

<https://dese.mo.gov/financial-admin-services/career-and-technical-education-cte-finance/cte-coding>



Miscellaneous

CTE Finance Calendar

- **The CTE Finance Calendar has been updated for FY2020**

<https://dese.mo.gov/financial-admin-services/career-and-technical-education-cte-finance/cte-finance-calendar>

CTE Finance Listserv

- **The CTE Finance Listserv provides one-way communication from DESE to the LEAs regarding financial information on CTE programs and grants**

<https://dese.mo.gov/financial-admin-services/career-and-technical-education-cte-finance/cte-finance-listserv>



Perkins V

Funding Distribution

- **The set-asides for the State allotment will remain the same:**
 - ❑ 5% for State Administration
 - ❑ 10% for State Leadership
 - ❑ 85% for Local Grants
- **States will still be required to determine the split of funds between secondary and postsecondary programs and provide a rationale**
- **The Department will continue to use enrollment data to determine the split of funds**
- **Based on enrollment data for the last five years (2014 to 2018), the five-year average would result in the following funding split for Fiscal Year 2021:**
 - ❑ 73% Secondary
 - ❑ 27% Postsecondary



Perkins V

Funding Distribution (CONTINUED)

- **The formulas to distribute the local grant funding will remain the same:**
 - ❑ Secondary based on population and poverty (Census data)
 - ❑ Postsecondary based on number of students receiving Pell Grants and BIA funds (MOSIS reporting)
- **To be a fiscal agent of the Perkins grant, the requirements will remain the same:**
 - ❑ Secondary--\$15,000 minimum allocation and must meet the sufficient size, scope, and quality definition
 - ❑ Postsecondary--\$50,000 minimum allocation and must meet the sufficient size, scope, and quality definition



Perkins V

Sufficient Size, Scope, and Quality

- **Size:**
 - **A full range of Department-approved career and technical education (CTE) program areas, services and activities provided by an eligible recipient that would provide educational opportunities in four of seven CTE program areas:**
 - **Agriculture, Food, and Natural Resources**
 - **Business Education which includes Information Technology**
 - **Family Consumer Sciences and Human Services**
 - **Health Sciences Education**
 - **Marketing and Cooperative Education**
 - **Skilled Technical Sciences**
 - **Technology and Engineering**



Perkins V

Sufficient Size, Scope, and Quality (CONTINUED)

- **Scope:**

- ❑ **A minimum of three (3) sequential credits (Secondary) or 12 sequential credits (Postsecondary) must be offered in each single CTE program of study**
- ❑ **The eligible recipient must provide supportive services that include student assessment, guidance, placement, and remedial academic support for all students, including members of special populations who are enrolled in CTE program areas provided by the eligible recipient**
- ❑ **Each single CTE program must have at least one secondary/postsecondary credit transfer agreement such as dual credit/concurrent enrollment or articulation agreement in place**

- **Quality:**

- ❑ **Each CTE program must meet all CTE program quality requirements as per the Common Criteria and Quality Indicators (Cut score to be determined)**



Perkins V

Local Application

- **Each LEA must submit a local application in order to qualify to receive Perkins V funds**
- **Each LEA must conduct a comprehensive local needs assessment related to CTE to be eligible to receive funding**
- **The results of the needs assessment must be included in the local application, and it must be updated at least every two years**



Perkins V

Local Uses of Funds

- LEAs receiving funds under Perkins V may not use more than 5% for administrative purposes (same as Perkins IV)
- The remaining funds must be used to develop, coordinate, implement, or improve CTE programs to meet the needs identified in the comprehensive local needs assessment
- There must be a clear linkage between the needs assessment and how funds are spent
- There are no longer separate “required” and “permissive” uses of funds
- Funds must be used to support CTE programs that are of sufficient size, scope, and quality to be effective



Perkins V

Six Requirements for Uses of Funds

- **1. Provide career exploration and career development activities through an organized, systematic framework designed to aid students, including in the middle grades, before enrolling and while participating in a CTE program, in making informed plans and decisions about future education and career opportunities and programs of study**
- **2. Provide professional development for teachers, faculty, school leaders, administrators, specialized instructional support personnel, career guidance and academic counselors, or paraprofessionals**
- **3. Provide within career and technical education the skills necessary to pursue careers in high-skill, high-wage, or in-demand industry sectors or occupations**



Perkins V

Six Requirements for Uses of Funds (CONTINUED)

- **4. Support integration of academic skills into career and technical education programs and programs of study**
- **5. Plan and carry out elements that support the implementation of career and technical education programs and programs of study and that result in increasing student achievement of the local levels of performance**
- **6. Develop and implement evaluations of the activities carried out with funds under this part, including evaluations necessary to complete the comprehensive needs assessment and the local accountability report**



Perkins V

Limitation for Certain Students

- **No funds received under Perkins V may be used to provide career and technical education programs or programs of study to students prior to the middle grades (grades 5 – 8)**
- **This is a change from Perkins IV as the previous legislation indicated no funds could be used prior to the 7th grade**
- **At this time, the Department has not made a decision as to what type of costs will be allowed at these grade levels**



Perkins V

Possible Unallowable Costs

- **Instructional furniture (i.e. student chairs/desks, and computer workstations)**
- **Maintenance, operations, and repairs (i.e. utilities, janitorial services)**
- **Memberships in civic and community organizations**
- **Student recognition awards (i.e. certificates, plaques, portfolios)**



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