

Section FF
Financial Guide for
Career and Technical Education Programs

Table of Contents

SECTION I – PURPOSE AND BACKGROUND	
A. Introduction	2
B. History of Carl D. Perkins Federal Funds	2
SECTION II – FEDERAL ADMINISTRATIVE REQUIREMENTS	
A. Financial Management	4
B. Procurement	5
C. Inventory Management	6
SECTION III – CTE PERKINS AND TECH PREP REQUIREMENTS	
A. Funding Policy	9
B. Funding Formulas.....	9
C. Supplement, Not Supplant.....	9
D. Maintenance of Effort.....	11
E. Time Distribution	11
F. Property Management.....	12
SECTION IV – OFFICE OF CAREER AND TECHNICAL EDUCATION PROCEDURES	
A. Application Preparation	15
B. Budget Preparation and Revision	15
C. Post Award Administration	16
D. Compliance Monitoring.....	16
E. Evaluation	17
F. Audit	17
G. Financial Closeout	17
SECTION V – PUBLIC SCHOOL FUNDING	
A. State School Aid.....	19
B. Public School Accounting	19
C. State Aid Process within OCTE.....	20
SECTION VI – NONCOMPLIANCE PROVISIONS	
A. Noncompliance Conditions	21
B. Provisions for Withholding Funds	21
C. Procedures for Payback/Recapture	22
D. Review Procedures for Contested Decisions	22
SECTION VII – ASSURANCES AND CERTIFICATIONS	24
SECTION VIII – RESOURCES	29

I. PURPOSE AND BACKGROUND

A. Introduction

The numerous responsibilities for managing a federal grant can be categorized as programmatic and fiscal/administrative. This guide has been developed to provide career and technical education (CTE) administrators, career initiative coordinators, and grant managers with the necessary information about requirements and procedures used for the effective financial administration of federal and state CTE funds.

The information contained in this guide is a summary of requirements contained in federal and state statutes, regulations, policies and manuals. This guide does not include all legal requirements applicable to CTE programs nor is it intended to provide legal advice.

B. History of Carl D. Perkins Federal Funds

As early as 1917, Congress has recognized the social and educational need for vocational education in public schools. The Smith-Hughes Vocational Education Act was passed "to provide for the promotion of vocational education; to provide for cooperation with the states in the promotion of such education in agriculture and the trades and industries; to provide for cooperation with the states in preparation of teachers of vocational subjects; and to appropriate money and regulate its expenditure." The legislation was "especially designed to prepare workers for the most common occupations in which the great mass of our people find useful employment".

In the 1960s, Congressional action expanded the role and scope of vocational education with the Carl D. Perkins Act, focusing on improving vocational programs and serving special populations. In the 1990s, the Act reflected the education policies and reform efforts of the time. There was emphasis on the integration of vocational and academic instruction and added Tech Prep to make Perkins a tool for educational reform by linking vocational education more closely with academics and with instruction at the postsecondary level. The amendments of 1998 added increased references to technology, training teachers in technology, and distance learning. The intent was to ensure that programs receiving funds under the Act responded to economic and employment needs. The amendments of 2006 focused on rigorous academic and technical skills as well as preparation for postsecondary education through programs of study. Perkins continues to be a vehicle to promote the preparation of students for the skills that are needed by business and industry for the global economy.

Michigan has participated in the federal Carl D. Perkins programs since inception, with both CTE Perkins and Tech Prep initiatives. These funds are considered "flow-through funds" in that the states are the means for distributing the funds directly to the schools. The federal legislation that authorizes the funding contains required activities that recipients of the funds must follow. Therefore, there are no discretionary funds available for schools or consortia – the activities must meet the intended purpose of the law. The Office of Career and Technical Education administers the CTE Perkins and Tech Prep grants in Michigan. Eligible recipients of funding are public local educational agencies and tech prep consortia that provide career and technical education programs and services.

The Perkins funds are distributed electronically as a reimbursement of expenditures to eligible regional fiscal agents throughout the state. Eligible recipients are required to develop and submit long-range regional plans to align with the purpose and intent of the Perkins legislation. These plans address the long-term goals and objectives for career and technical education and tech prep partnerships in the region.

In addition to a long-range plan, an annual application must be submitted each year that identifies the projects that will be completed during each fiscal year to reach the long-term goals and objectives and to continually increase student performance as measured by the Perkins Core Performance Indicators. CTE Perkins funds may only be used to fund projects that support state-approved career and technical education programs. Tech Prep funds must be used to support secondary/postsecondary articulated programs. The annual application is submitted each spring as part of a consolidated yearly plan.

II. FEDERAL ADMINISTRATIVE REQUIREMENTS

The application for funds contains both general grant assurances that are contained in all federal applications, as well as specific assurances pertaining to the Carl D. Perkins Career and Technical Education Act of 2006. These assurances must be certified by signature of the authorized administrators (including superintendents, regional CTE administrators, Tech Prep consortia partners, etc.). The assurances applicable to CTE Perkins and Tech Prep are listed in Section VII – Assurances and Certifications.

Acceptance of federal grant funds is accompanied by requirements for strict compliance with terms, conditions, and regulations. Since grants are awarded to an institution, not an individual, the grantee organization accepts full legal responsibility for the program and for fulfilling the granting agency requirements.

There are three components that are essential to an integrated federal grant management system: 1) financial management; 2) procurement standards; and 3) inventory management. The following discussion of these three components summarizes the requirements. A more in depth description of the implementation of these components for CTE Perkins and Tech Prep are contained in Section III.

A. Financial Management

Fiscal control and accounting procedures of federal grant recipients must be sufficient to: (1) permit preparation of reports required by this part and the statutes authorizing the grant, and (2) permit the tracing of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes. The financial management system of grantees must meet the following standards:

1. Financial Reporting
Accurate, current and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant.
2. Accounting Records
Financial transactions of an approved project should be distinguished in the accounting records from other projects and identified with the federal and/or state program under which it is funded. Project expenditures should be recorded within the function code and object classifications defined in the *Michigan Public School Accounting Manual*.
3. Internal Controls
Internal controls are methods to help program and financial staff achieve program results and safeguard assets, ensure the reliability of accounting data, and comply with management policy, grant terms and conditions. These include the plan of organization, methods and procedures adopted by management to meet program goals, processes for planning, organizing, directing, controlling, and reporting on agency operations.

In summary, federal grant recipients are required:

- To have controls in place.
- To assign staff that are trained to use the controls.
- Be certain that the controls are actually followed and are working.

4. Budget Control

Actual expenditures must be compared with budgeted amounts for each grant.

5. Allowable Costs

Costs charged to a federal grant must be allowable according to the United States Office of Management and Budget (OMB) Circular A-87, program regulations, and the terms of grant agreement. Generally, costs cannot be considered allowable under federal grants unless they:

- are necessary and reasonable
 - must be necessary for the performance or administration of the grant
 - is it really needed?
 - does it meet the minimum necessary requirements, or does it contain all the “bells and whistles”?
 - must follow sound business practices
 - what would the prudent person do?
 - do I have the capacity to use it?
 - could I comfortably defend this purchase, or would I be embarrassed?
 - must pay fair market value
 - can I prove that I paid fair market value?
- and allowable to the grant program
- comply with the limitations of a grant agreement as well as other applicable federal and state laws and regulations
 - if you can't pay for something with state or local funds, you can't use federal funds either
 - are allocated to the grant on a basis consistent with policies that apply to all activities of the grantee. (Incidental use by a non-Perkins program may allowable as long as it and does not interfere with the primary use.)
 - is the federal grant program charged in proportion to the value received by the program?
 - can I prove the program benefited?
 - can I prove other programs are not benefiting?
- are accounted for consistently and in accordance with generally accepted accounting principles
- have not been allocated to or included as a cost in any other federal award
- are adequately documented

6. Source Documentation

Accounting records must be supported by source documentation such as purchase orders, purchase requisitions, contracts, invoices, receiving reports, payroll records and cancelled checks.

7. Cash Management

The grantee must minimize the time between making disbursements and drawing down funds for reimbursement.

B. Procurement

Grant recipients will use their own procurement procedures which reflect applicable state and local laws and regulations, provided that the procedures conform to applicable federal law and the following required standards:

1. Develop and maintain a written procedure for procurement transactions. The procedures must provide for a review of proposed procurements to avoid purchase of unnecessary or duplicative items.
2. Develop and maintain a written code of conduct for employees responsible for procurement transactions. The written code of conduct for persons responsible for procurement transactions must adhere to the following standard:

No employee, officer or agent of the grantee shall participate in selection, or in the award or administration of a contract supported by federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

- i. The employee, officer or agent,
 - ii. Any member of his immediate family,
 - iii. His or her partner, or
 - iv. An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The grantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to agreements. Grantee may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value.
3. Ensure that procurement procedures provide for full and open competition to the extent practicable and that no contract be made with a vendor that has been suspended or disbarred. (Check the Excluded Party List at <http://www.epls.gov/>)
 4. Conduct some type of cost or price analysis and include the analysis in the grant file.
 5. Include in all contracts any specific provisions identified in the administrative requirements.
 6. Maintain a compliance system so that contractors comply with the terms and conditions of the contract.

C. Inventory Management

1. Internal Controls

The current federal definition of equipment means tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. At this writing, the U.S. Department of Education (USDOE) is considering a revision to that definition.

In their reviews of federal grant activities in the states, the USDOE is shifting the focus away from the \$5,000 cost threshold. The focus now is on the obligation of the grantee, as an internal control requirement, to safeguard all property purchased with federal funds and assure that it is used solely for authorized purposes. **This means that all items, no matter the monetary value, purchased with federal funds having a useful life of one year or more must be included in the grantees' inventory management system.** This includes equipment, computers, printers, desks, cell phones, etc. With this

change in focus, OCTE recommends that grantees begin to include all such items in their property management system.

The inventory management system must include the following:

- Property records (description, serial number or other identification, title information, acquisition date, location, use and condition, and ultimate disposition.
- Physical inventory done at least every two years.
- A control system to prevent loss, damage, theft – all incidents must be investigated.

2. Equipment Costing More Than \$5,000

a) Use and Management (EDGAR §80.32)

Equipment shall be used by the grantee in the program for which it was acquired as long as needed, whether or not the program continues to be supported by federal funds. When no longer needed for the original program, the equipment may be used in other activities currently or previously supported by a federal agency.

The grantee shall also make equipment available for use on other programs currently or previously supported by the federal government, providing such use will not interfere with the work on the program for which it was originally acquired. First preference for other use shall be given to other programs or projects supported by the awarding agency. User fees should be considered if appropriate.

When acquiring replacement equipment, the grantee may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property, subject to the approval of the awarding agency.

Property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of the property, percentage of federal participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.

A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated.

Adequate maintenance procedures must be developed to keep the property in good condition.

If the grantee is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

b) Disposition

When original or replacement equipment acquired under a grant is no longer needed for the original project or program or for other activities currently or previously supported by a federal agency, disposition of the equipment will be made as follows:

Items of equipment with a current per-unit fair market value of less than \$5,000 may be retained, sold or otherwise disposed of with no further obligation to the awarding agency.

Items of equipment with a current per unit fair market value in excess of \$5,000 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency's share of the equipment.

In cases where a grantee fails to take appropriate disposition actions, the awarding agency may direct the grantee to take excess and disposition actions.

III. CTE PERKINS AND TECH PREP REQUIREMENTS

A. Funding Policy

Funds generated by the Perkins and Tech Prep formulas are pooled at the regional (consortia) level. Each region/consortium receives its proportionate share based on the grand total of the amounts generated by constituent school districts and public school academies. If a LEA chooses not to participate in the regional consortium, it is not included in the statewide distribution formula.

Funds allocated to a regional consortium shall be used only for purposes and programs that are mutually beneficial to all members of the consortium and can be used only for authorized programs. Such funds may not be reallocated to individual members of the consortium for purposes or programs benefitting only one member of the consortium.

Public School Academies (PSAs) (also known as charter schools) and schools funded by the Bureau of Indian Affairs are treated as local educational agencies for inclusion in the region. Michigan sends each fiscal agent a list of PSAs and Indian education programs in their region for which they must deliver services and treat as a LEA. An assurance of this relationship is required in the regional application for Perkins funding.

B. Funding Formulas

1. CTE Perkins

Allocations to regions (consortia) are distributed based on the following formula:

- 70% is distributed in proportion to the Title I poverty counts for each participating district served by the LEA as a percentage of the state total.
- 30% is distributed in proportion to the latest census count of individuals aged 5-17 residing in the district served by the LEA as a percentage of the state total. To be inclusive of charter schools, the most recent NCES student membership data will be used when no census data are available.

Once funds are distributed to the regional fiscal agency/consortium, members of a consortium are reimbursed for expenditures based on approved regional activities.

2. Tech Prep

Funds are distributed to regions (consortia) based on the participating buildings' number of 11th and 12th grade students and the urban or rural designation of the building. Rural designated buildings generate a more funding than urban designated buildings. Any funds remaining after the formula allocations are divided equally to the 25 regions. Funds generated by this formula are pooled at the regional/consortium level.

C. Supplement, Not Supplant

"Funds made available under this Act for career and technical education activities shall supplement, and shall not supplant, non-federal funds expended to carry out career and technical education activities and tech prep program activities."

CTE Perkins and Tech Prep funds are to be used to supplement the CTE programs generally offered with state and local funds. To be in compliance with this requirement, therefore, a recipient may not divert state or local funds from an activity merely because Perkins funds are available. In other words, the use of Perkins funds may not result in a decrease in state and local funds for a particular activity that, in the absence of the Perkins funds, would have been available to conduct the activity.

A specific example of such a circumstance is use of federal funds for any program that a recipient is required by law to provide. Because the school district would have to use state and local funds to provide particular statutorily required services in the absence of federal funds, the school district may not use Perkins funds in place of the state and local funds it would otherwise be required by law to use. Rather, the recipient may only use Perkins funds to provide supplemental services that it would not have provided had the Perkins funds not been available.

The following questions and answers are intended to provide examples to grantees that may help in clarifying this requirement.

- a. Does it violate the “supplement, not supplant” requirement if a school district uses Perkins funds to continue a program previously operated with state funds if the school district no longer qualifies for the state funds?

A recipient may have qualified for state funds to operate a program for at-risk students, for example, based on the number of such students attending the school district. If the number of students decreases and the area therefore no longer qualifies for the state funds, the school district may continue to operate the program with Perkins funds if the program addresses purposes of the Perkins legislation without violating the “supplement, not supplant” requirement. There is no violation because the state funds would not be available, in the absence of Perkins, to continue the program previously provided. This, of course, presumes that the recipient would not fund the program out of any other non-federal funds in the absence of Perkins.

- b. May Perkins funds be used to replace the share of state funds previously used to support certain state-level activities without violating the “supplement, not supplant” requirement?

Under the “supplement, not supplant” requirement, a state must look at what educational activities it would support with state funds if Perkins funds were not available. If a recipient can demonstrate that it would have state funds available to fund particular activities or for some other reason would not have used state funds available to fund particular activities, then it may be possible to use Perkins funds to support those activities if they address purposes of the Perkins legislation without violation of the “supplement, not supplant” requirement. However, it is a violation of that requirement if a school district decreases state funds for particular activities because Perkins funds are available to support those activities.

- c. If a school district was not able to implement a project that was planned, how can they use the unspent funds on something else and not violate the “supplement, not supplant” requirement?

Perkins projects are approved on an annual basis to be used by the end of the fiscal year (June 30). If a budget adjustment was not approved prior to the end

of the fiscal year, the funds may not be shifted. To do so would mean that the school district was replacing funds already spent with the unspent Perkins dollars. This would be supplanting.

- d. If a school district orders computer equipment that is paid for with both state funds and Perkins funds, and subsequently the state funds are not provided, would the use of Perkins funds to purchase the computer equipment be considered supplanting?

Federal requirements state that Perkins funds must be used to supplement and, to the extent practical, increase the level of funds that would, in the absence of the Perkins funds, be made available from non-federal sources. If the reduction of non-federal funds for the purchase of the computer equipment had occurred in the absence of Perkins funding, the use of Perkins funds for the same purpose would not be considered supplanting.

- e. If local funds for a particular program were reduced although the maintenance of effort requirement is met, would the expenditure of Perkins funds for that program constitute supplanting?

Compliance with the maintenance of effort requirement does not ensure that Perkins funds have not supplanted state and local funds. Even if there is no reduction in state and local funds overall and the maintenance of effort requirement is met, there is a supplanting violation if Perkins funds are used to supplant non-federal funds that would have been expended for specific programs in the absence of Perkins funding. Thus, the test to determine whether supplanting has occurred is not whether fiscal effort has been maintained, but whether the programs supported with Perkins funds would, in the absence of those funds, have been supported with state or local funds.

- f. If a school district uses Perkins funds to purchase basic lab materials, does that expenditure violate the "supplement, not supplant" requirement.

Perkins funds may not be used for activities that a recipient would, in the absence of Perkins funds, make available with non-federal funds. Presumably, in the absence of Perkins funds, a school district would have to purchase basic lab materials in order to provide instruction in the various occupational subjects. Thus, the use of Perkins funds to purchase this equipment that the school district would otherwise have to provide from local funds would violate the "supplement, not supplant" requirement. The school district, however, could use Perkins funds to purchase supplemental lab materials without violating that requirement.

D. Maintenance of Effort

To avoid the appearance of supplanting, local recipients must keep consistent the amount of local funds expended and reported in support of the CTE Perkins and Tech Prep activities from one year to the next.

E. Time Distribution

Time and salaries spent working on Federally funded programs must be documented for co-funded and 100% funded staff in compliance with OMB Circular A-87, Attachment B, Item 8h. Acceptable methods for co-funded staff include written schedules if they are documented by personnel activity reports (PARs) confirming that the schedules were followed (e.g., directors, secretaries, counselors). The PARs

must be prepared at least monthly, be signed and dated by the employee, and account for the staff person's total activity. Time sheets and other records should be completed after the fact. Employees should never guess the amount of hours they will spend on federal programs before work is actually performed.

Instructional staff may use their lesson plans to confirm that their written schedules were followed if: (1) after-the-fact notes are made on those plans to indicate the completion of each scheduled activity; (2) the lesson plans account for the total time the employee is compensated; (3) the lesson plans are prepared at least monthly and coincide with one or more pay periods; and (4) the completed lesson plans are signed by the employee. If a district elects to use this method, it must retain the lesson plans as timekeeping records.

Paraprofessionals may use their regular time sheets as long as they; (a) reflect an after-the-fact distribution of their actual activity, (b) account for the total activity for which they are compensated, showing the hours or percentages for the programs they worked on, (c) are prepared at least monthly and coincide with one or more pay periods, and (d) are signed by the employee.

OMB Circular A-87 requires that when employees are expected to work solely on a single federal award or cost objective, charges for their salaries will be supported by periodic certifications that the employees worked solely on that program for the semi-annual period covered by the certification. These certifications must be prepared at least semi-annually and be signed by the employee or a supervisor with first-hand knowledge of the work performed by the employee. If a supervisor has first-hand knowledge of work performed by several employees each working on a single cost objective, the supervisor can use a blanket certification that lists all of the employees, the program that they worked on and the period covered. One supervisory signature would be adequate.

A "Time and Activity Report" is to be prepared by all employees paid from multiple fund sources. The report is to be completed for each pay period. Reports are to be approved and retained at the school district until completion of the next state and federal audits. School districts are responsible for the collection and retention of the reports. Multiple funded positions can be identified from spending plans budgeted at the beginning of the fiscal year. Employees paid from more than fund source should work and report the number of hours each pay period in accordance with the split for each fund source. Only work time is used in calculating the percentages; holidays and leave time are excluded when calculating time spent on each activity/program. Employees paid with 100% of a specific federal fund program must provide a statement twice a year that they work exclusively on federal activities related to the federal source.

F. Property Management

1. Acquisition

Perkins funds may be used to purchase instructional equipment and other tangible property needed for state-approved career and technical education programs. Purchasing equipment and tangible property for CTE programs must meet the procurement standards outlined in Section II. Section II also contains the final disposition standards for equipment.

Items purchased with federal funds must be used by students within state-approved career and technical education programs and must be physically

located within the appropriate classroom or laboratory. **Equipment, as used here, is defined as tangible, nonexpendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. Tangible property, as used here, is defined as items having a useful life of one year or more no matter the unit cost.**

In order to comply with the more stringent federal interpretation of assets (defined here as equipment and tangible property), OCTE recommends that grantees begin to include all such assets in their property management system. Until the definition of equipment is officially changed, grantees must still comply with the equipment requirements in EDGAR §80.32.

Written prior approval is required for purchasing equipment in the CTE Perkins grant; equipment is not allowable under the Tech Prep grant. Tangible property items, such as computers, printers, smart boards, etc. may be purchased with both CTE Perkins and Tech Prep funds. Only instructional equipment purchased after grant approval during the fiscal year for which the application is effective will be eligible for reimbursement.

Items shall be maintained in inventory for three years after purchase.

Instructional equipment items eligible for reimbursement under CTE Perkins are: instruments, machines, apparatus, kits, sets, or units costing \$5,000 or more, which meet all of the following conditions:

- a) Equipment used by students to achieve instructional tasks in career and technical education programs will be considered for approval.
- b) The item retains its original shape and appearance with use.
- c) The item is non-expendable; that is, if the item is damaged or some of its parts are lost or worn out, it is usually more feasible to repair it rather than replace it with an entirely new unit.
- d) The item represents an investment of money, which makes it feasible and advisable to capitalize the item.
- e) The item does not lose its identity through incorporation into a different or more complex unit or substance.
- f) The item has a useful life of more than three years.

Instructional equipment items ineligible for approval include: audio/visual equipment, film projectors, screens, projectors including the materials such as tapes, film strips, transparencies, file cabinets, teachers' desks and chairs, and general storage cabinets.

A unit is defined as a piece or pieces of apparatus used to perform a particular function. Components needed to operate such units may be included in the unit description.

A kit or set is defined as a number of parts of the same kind that belong together or are used together. In order for a kit or set of equipment to qualify for funding, the kit or set must be ordered from the same supplier, identifiable by catalog or catalog number.

Cost of installation, freight, and handling will be eligible for reimbursement.

In certain instances, it may be more efficient or expedient to rent or lease rather than purchase equipment. Rentals or leases must satisfy the same criteria as are

required for purchased equipment. The rental or lease of equipment from educational agencies is prohibited. Flat rate service contracts on rented or leased equipment will be considered as part of the rental or lease fee. Lease/purchase contracts will also be eligible under these provisions. Approved lease agreements will be recognized for a maximum of two years, but a letter of request must be submitted for receiving reimbursement in the second year. These letters should be submitted with the annual application for CTE Perkins.

2. Use

Equipment shall be used by the grantee in the career and technical education program as long as needed, whether or not the program continues to be supported by federal funds. When no longer needed for the original CTE program, the equipment may be used in other CTE activities currently or previously supported by a federal agency.

The grantee shall also make equipment available for use on other CTE projects or programs currently or previously supported by the federal government, providing such use will not interfere with the work on the projects or programs for which it was originally acquired. First preference for other use shall be given to other CTE programs or projects supported by the awarding agency.

3. Reporting

Form CTE-4058-A is submitted by the educational agency with the Carl D. Perkins final report at the completion of the grant year. All equipment items with an acquisition cost of \$5,000 or more must be reported on this form.

It shall be the responsibility of the local board of education to replace any stolen or broken items that have been reimbursed by Carl D. Perkins funds. A copy of the invoice for the new equipment must be submitted to OCTE to establish proper worth.

Items of equipment, which have been reimbursed by Carl D. Perkins funds, may be transferred to other career and technical education programs or buildings provided prior approval is granted from OCTE. However, transfer of equipment from one site to another for the purpose of maximizing facilities and to avoid duplication of programming is encouraged.

IV. OFFICE OF CAREER AND TECHNICAL EDUCATION PROCEDURES

This section describes how the Office of Career and Technical Education implements the requirements for CTE Perkins and Tech Prep grants. OCTE expects that local education agency staff associated with these grants actively participate in the following responsibilities:

- Application Preparation
- Budget Preparation and Revision
- Post Award Administration
- Compliance Monitoring
- Evaluation
- Audit
- Closeout Procedures

A. Application Preparation

The CTE Perkins and Tech Prep grant applications are completed and submitted on the Michigan Electronic Grants System (MEGS), a comprehensive web application that interacts with other State of Michigan applications. Some of these systems include the Michigan Education Information System (MEIS), the Cash Management System (CMS), and the School Code Master. Refer to the instructions in the CI Manual for further information.

<http://megs.mde.state.mi.us/megs>

B. Budget Preparation and Revision

The grant budget is an estimate of the cost of the activities proposed in the grant application. Communication between fiscal and program staff is essential. CTE Perkins and Tech Prep application budgets are prepared once Core Performance Indicators (CPIs) and corresponding grant activities have been selected on MEGS. Function codes for required and permissive activities are selected on the basis of the appropriate use of funds (see CTE Perkins and Tech Prep Uses of Funds Guides.)

Beginning With the 2008-09 Applications:

If a participating agency of the consortium, other than the fiscal agent, will incur expenses for approved grant activities, the budget for these expenses must be developed at the participating agency level in MEGS. The fiscal agent's budget will sum the amount of these flow-through funds into function code 411, Outgoing Transfers (for secondary participants), or 441, Outgoing Transfers (for postsecondary participants.) Instructions for procedures to develop the participating agency budgets are located on the Applicant Menu on the MEGS application under "Consortium (Flow-Through Funds)."

Direct costs are those that can be identified with a specific cost center established for the accumulation of costs. Typical examples of direct costs to a grant program include:

- compensation of employees for the time devoted and identified specifically to the performance of the grant program;
- cost of materials acquired for the grant;
- approved personal property or equipment;
- expense items or services contracted or furnished specifically for the grant

Recipients must be sure to include state and local funding for CTE activities in the non-federal portion of the budget. To avoid the appearance of supplanting, the non-federal contributions should be maintained at the same level from one year to the next.

During the year, funds for various projects may shift related to the actual costs incurred. A transfer of funds between line items that exceeds 10% of the original approved grant budget necessitates a request for budget revision. It may also require a change to the Action Plan and activities related to that line item. Appropriate forms with an explanation for the adjustment and a copy of the new budget must be submitted for approval 30-60 days before dollars can be expended for the projects.

A reconciliation of the approved budget to actual expenditures should be done routinely. Clear communication is necessary between the regional CTE administrator, project or grant coordinator, and the business officer before submission of the budget adjustment.

The fiscal year ends June 30. Final revised budgets must be submitted prior to June 1. Adjusted budgets submitted after this date will not be approved or may be found in non-compliance.

C. Post Award Administration

1. Notification

The fiscal agent may print a hard copy of the Grant Award Notification from MEGS once the application is approved. The program project number, source code, and the approved amount are then made available in the Department of Education's Cash Management System (CMS). Grantees may not begin to obligate funds until the later of the following dates:

- a. July 1st
- b. The date the applicant submits its application in substantially approvable form.

2. Reimbursement Procedures

Reimbursement requests for CTE Perkins and Tech Prep grant funds are made through the Cash Management System (CMS).

<https://mdoe.state.mi.us/cms/default.aspx>

From the Main Menu, select "Requesting Funds for a Project (DS-4492)" and follow the following steps:

Select the appropriate project.
Enter Interim Cumulative Expenditures
Save (CMS calculates current total cash request)

Certify the fund request

D. Compliance Monitoring

Fiscal agents for the CTE Perkins and Tech Prep regional consortia have additional financial related responsibilities. These include: 1) maintaining fiscal records

including monitoring expenditures against the approved budget; 2) disbursing grant funds to participating agencies upon request for reimbursement of the cost of approved and completed activities based on the regional application; 3) ensuring that all required reports are accurate and submitted by the due dates; and 4) be fiscally accountable for obligations and expenditures as required under the Single Audit Act and OMB Circular A-133.

Participating agencies have the following responsibilities: 1) maintain all necessary data and/or reports, including detailed financial transactions for costs incurred; 2) prepare all required reports and forward to the fiscal agency in time to meet due dates; and 3) be fiscally accountable for obligations and expenditures as required under the Single Audit Act and OMB Circular A-133.

E. Evaluation

The Carl D. Perkins Career and Technical Education of 2006 requires that states establish a performance accountability system designed to assess the effectiveness of the state in achieving progress in career and technical education programs. The state is required to continually make greater progress toward improving the performance of career and technical education students.

Each year, the state must submit a report to the Secretary of the United States Department of Education regarding progress in achieving the performance levels, including the performance of each group of special populations and Tech Prep. To avoid financial sanctions, a state that fails to meet at least 90% of an agreed upon performance level for any core indicator must submit an improvement plan in the fiscal year following the year in which it did not meet the state-adjusted levels of performance. The state must consult with appropriate agencies, organizations, and individuals in developing and implementing the improvement plans.

The Office of Career and Technical Education is required to evaluate local recipient (school district) performance using the state levels of performance. If a region fails to meet at least 90% of an agreed upon level of performance of any core indicator, the region must develop and implement a program improvement plan. The state will provide technical assistance to help a region that is performing unsatisfactorily.

If a region does not perform satisfactorily, does not implement an improvement plan, shows no improvement within one year of implementing an improvement plan, or has failed to meet at least 90% of an agreed upon level of performance for three consecutive years, the state may withhold some or all funds to the region under this title. Before withholding funds, an opportunity for a hearing will be granted. Funds withheld must, if an appropriate and effective use can be found, be distributed within the state to provide services and activities that meet the purposes of the Perkins Act.

F. Audit

Career and technical education revenue and expenditures must be recorded according to the Michigan School Accounting Manual (Bulletin 1022). Each local and intermediate school district is required to have an annual audit of the district's financial records. Auditors will test for appropriate classification with regard to fund, function, and object code, therefore it is important that CTE personnel work closely with fiscal staff for proper financial reporting.

G. Financial Closeout (Final Expenditure Reports)

1. Michigan Electronic Grants System (MEGS)

End-of-Year Reports are submitted on MEGS in August following the end of the grant year. A MEGS report feature allows funding recipients to indicate final expenditures and activity outcomes based upon their originally approved budget and activities. The approved grant information is "rolled over" to the report section to assist funding recipients in completing the report. This report is in addition to the Final Expenditure Report (DS-4044) completed on the Cash Management System.

2. Cash Management System (CMS)

A Final Expenditure Report (FER) is required on each project and is due 60 days after the end of the grant period. There are three steps that the recipient must make when submitting their FER. The first two, entering and posting, can be done by the same individual.

Select "Reporting Final Expenditures (DS-4044)" from the Main Menu. The list that appears will include all active projects past the project ending date, all active projects in which all funds have been paid, and reopened projects. The project and approved budget information are loaded from the MEGS system.

- "Select" the appropriate project from the list
- Enter the federal expenditures according to function and object codes
- Enter the non-federal expenditures
- Save
- "Post" the report when it is complete and there are no errors

Refer to Section J-P of the Career Initiatives (CI) Notebook for function and object code definitions applicable to these grants.

The third step is certifying the FER. The person authorized to certify the FER must not be the same person that entered and posted it.

Select "Certifying Final Expenditures (DS-4044)"

"Posted" FERs are listed

"Select" the appropriate project

Review the information, make changes if necessary

Click "I Certify"

V. PUBLIC SCHOOL FUNDING

A. State School Aid

In the past, public schools were financed through a combination of State Aid payments and locally raised revenue (property tax mills). State Aid was provided through an equalization formula for general purpose and categorical aid. The equalization method guaranteed each district a minimum return per pupil for each mill of property tax levied. Districts could tax themselves at whatever rate voters approved. If the district's local revenue per pupil exceeded the state's guaranteed revenue, they were "out of formula" and received no general school aid. The state equalized value and millage rate formula created an opportunity for inequity in school funding.

In 1993, the Michigan legislature eliminated local school property taxes and the State Equalized Value (SEV) as a means of financing public schools. To replace the revenue to the School Aid Fund, proceeds from increased sales tax (4% to 6%), the cigarette tax, and other taxes help provide operating funds.

The mechanism for reformed school financing in Michigan is a foundation allowance. It is a per pupil amount that is a combination of State Aid and non-homestead property tax revenue. To receive the full foundation allowance, a district must levy local school operating mills on non-homestead property of 18 mills. The state payment per pupil is the difference between the district base amount (what a school received in 1993-94 per pupil) and the local revenue. The plan includes an annual increase in revenue per pupil. Lower revenue districts receive larger dollar and percentage increases while higher revenue districts received flat dollar increases.

B. Public School Accounting

The Michigan Compiled Laws contain the legal requirements for school district accounting. The Compiled Laws, together with Administrative Code Rules governing school accounting, have the force and effect of law and are legally binding on Michigan's local educational agencies. The Michigan School Accounting Manual is the required accounting manual for local educational agencies of Michigan.

The provisions of P. A. 621 (Uniform Budgeting and Accounting Act) became effective July 1, 1981. At that time, boards of education and school district administrators were required to come into compliance with the Act. The purpose is to provide the structure necessary for a close relationship between the administrator and the local school board with regard to the establishment of budgets and appropriations.

The Act also provides that the Superintendent of Public Instruction shall publish suggested manuals, forms, and operating procedures for use by local/intermediate school districts. The Superintendent is responsible for budget preparation and presentation to the school board and for the control of expenditures as presented in the budget and general appropriations Act. The Superintendent may assign the duty of preparation and administration of the budget to a fiscal office. Local districts must prepare a budget for the general school fund, debt retirement fund, and special education fund. Intermediate school districts must also include the special education fund, area vocational education fund, and the cooperative education fund. The school district must hold a public hearing on the budget before it is adopted as provided for in school laws.

C. State Aid Process within OCTE

Each year, a school district is confronted with the task of achieving numerous educational objectives within available financial resources. The accomplishment of this task is more probable through School Aid categorical funding approved by the state legislature each year. These funds are for specific purposes and are awarded to eligible agencies in addition to the basic foundation allowance. The Office of Career and Technical Education implements and monitors the activities for the following sections of the State School Aid Act:

- Section 61a(1) Funding for Career and Technical Education Programs (Added Cost)
- Section 61a(2) Funding to Support CTE Administrators

The Office of Career and Technical Education calculates the categorical State Aid allocations:

- Section 61a(1) is based on expenditure data and enrollments. Funding for programs is distributed according to the established rank list based on wage, placement, and job outlook data.
- Section 61a(2) CTE Administrator funding is proportioned to approved administrators, based on a combination of Perkins administration funding level and percent of time spent administrating CTE programs.

The roster of districts and allocations is sent to the School Aid Office.

Payments are distributed through the State Aid funding process in 11 equal allocations throughout the year.

Schools must report expenditures in the Schedule B form due each year in the fall.

VI. Noncompliance Provisions

A. Noncompliance Conditions

For the purposes of the administration of state and federal funds, the following situations are incidences for which a school district may be found to be out of compliance with legislative regulations. All of these issues have a basis in the federal regulations for Perkins or the School Aid legislation:

- Incomplete, insufficient or late application materials
- Onsite monitoring (TRAC) finds the district or career center out of compliance with the established guidelines
- Insufficient or no progress made toward Core Performance Indicator levels
- Incomplete, insufficient, or late follow-up, enrollment, and other data reports
- A budget that is not approved prior to the expenditure of funds
- Incomplete, insufficient, or late narrative or financial reports
- Non-submission of the annual Single Audit Act reports
- Inappropriate use of funding
- Non-submission of individual student enrollment data for all state approved CTE programs
- Failure to provide the Department with the necessary information to reasonably carry out its function under the Act

In circumstances where noncompliance has been established, state and/or federal funds may be withheld from an institution until the school district reaches compliance or funds may be payback/recaptured from the recipient.

B. Provisions for Withholding Recipient Funds

It is not the intent of the Office of Career and Technical Education to be punitive when issues of noncompliance are found. However, Perkins legislation is clear that the Office of Career and Technical Education must be provided with the information necessary to reasonably carry out its function under the Act. In the event that a participating educational agency is delinquent in submitting required data to the fiscal agency, a specific request and deadline for the report or other required data shall be delivered in writing to the participating educational agency by the fiscal agency. If the participating educational agency is requested to return Career Initiative funds received for the fiscal year, they will be prohibited from receiving any such funds in the subsequent fiscal year.

Procedures for the withholding of funds for noncompliance must follow due process:

- When a noncompliance finding is identified, a telephone contact followed by a letter from the Office of Career and Technical Education will be sent to the Superintendent and the CTE administrator
- Within 30 days of the date of the letter, the Superintendent or designee is expected to review the findings and respond to the Office of Career and Technical Education
- Within 30 days of the date of the response letter, the Office of Career and Technical Education will contact the Superintendent or designee to discuss the finding, procedures, and timelines for corrective action and/or other appropriate response

C. Procedures for Payback/Recapture

If it is found through a financial audit, onsite monitoring, application/final report review that federal or state school aid funds have been misused or misappropriated, payback or recapture procedures will be instituted by the Michigan Department of Education.

D. Review Procedures for Contested Decisions

Michigan school districts and other clients of the Michigan Department of Education shall have access to review procedures in regard to decisions and actions taken on monitoring visits and the enforcement of reporting requirements.

The procedures for notification and review are as follows:

1. An eligible recipient that intends to contest the Department's action shall notify the OCTE director in writing within 14 calendar days of receipt of the Department's findings. Within an additional 16 calendar days of receipt of the findings, the recipient shall submit a written request for review which shall state:
 - (a) the finding of the Department that is in question;
 - (b) the issues upon which the Department's finding is challenged;
 - and (c) all pertinent facts related thereto.
2. Upon receipt of such a request, the appropriate OCTE director shall prepare a written reply in duplicate within 30 calendar days. Such a reply may include a change of position by the Department or an affirmation of its original position, in whole or in part.
3. Within 14 days of receipt of the reply from the Department, the party whose appeal has been denied shall indicate whether it wishes to continue a request for review by the Department. Such notification shall be sent to the OCTE director. If the timing of local board of education meetings prevents the recipient's party from acting within the allotted 14 days, the party shall send the OCTE director written notification of this fact within the initial 14-day period. A party providing this notification shall have a total of 30 days to submit a request for continued review.
4. Within 14 calendar days of receipt of notice indicating a further review of decision, a final meeting shall be scheduled. At this time, there shall be a discussion including the challenging party, the OCTE Director, appropriate OCTE staff, and/or the Director of the MDE bureau or designee.
5. The OCTE Director or designee, may make a ruling based upon the facts presented or may convene a review panel of three members.
6. If a review panel is convened, within 14 calendar days of receipt of information and materials, the panel shall review the documentation and decision for the purpose of making one of the following recommendations to the OCTE Director:
 - a. Further review is not warranted based upon the facts presented. The review should end. Original staff decision is supported.
 - b. Further review is warranted based upon the facts presented. Original staff decision is not supported.

- c. Further review may be unwarranted because there is an alternative solution that can be suggested to the challenging parties. Original staff decision is not modified.
7. The Director of the MDE bureau shall make a decision regarding the contested decision. All decisions are based on applicable laws and the policies of the Michigan Department of Education.

VII ASSURANCES AND CERTIFICATIONS FOR FEDERAL PROGRAMS

The applications and acceptance of CTE Perkins and Tech Prep funds contain the following assurances that are contained in all federal applications, as well as specific assurances pertaining to the Carl D. Perkins Career and Technical Education Act of 2006. These assurances must be certified by signature of the authorized administrators (including superintendents, regional CTE administrators, Tech Prep consortia partners, etc.).

Certification Regarding Lobbying for Grants and Cooperative Agreements

No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of a federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal grant or cooperative agreement. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member Of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form – LLL “Disclosure Form to Report Lobbying,” in accordance with its instructions. The undersigned shall require that the language of this certification be included in the awards documents for all subawards at all tiers (including subgrants, contracts under grants and cooperative agreements, and subcontracts) and that all subrecipients shall certify and disclose accordingly.

Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion – Lower Tier Covered Transactions

The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in this transaction by any federal department or agency. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Assurance with Section 511 of the U.S. Department of Education Appropriation Act of 1990

When issuing statements, press releases, requests for proposals, solicitations, and other documents describing this project, the recipient shall state clearly: 1) the dollar amount of federal funds for the project, 2) the percentage of the total cost of the project that will be financed with federal funds, and 3) the percentage and dollar amount of the total cost of the project that will be financed by nongovernmental sources.

Assurance Concerning Materials Developed with Funds Awarded Under This Grant

The grantee assures that the following statement will be included on any publication or project materials developed with funds awarded under this program, including reports, films, brochures, and flyers: “These materials were developed under a grant awarded by the Michigan Department of Education.”

Certification Regarding Nondiscrimination Under Federally and State Assisted Programs

The applicant hereby agrees that it will comply with all federal and Michigan laws and regulations prohibiting discrimination and, in accordance therewith, no person, on the basis of race, color, religion, national origin or ancestry, age, sex, marital status or handicap, shall be discriminated against, excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in any program or activity for which it is responsible or for which it receives financial assistance from the U.S. Department of Education or the Michigan Department of Education.

Participation of Nonpublic Schools

The applicant assures that private nonprofit schools have been invited to participate in planning and implementing the activities of this application.

Assurance Regarding Access to Records and Financial Statements

The applicant hereby assures that it will provide the pass-through entity, i.e., the Michigan Department of Education, and auditors with access to the records and financial statements as necessary for the pass-through entity to comply with Section 400 (d) (3) of the U.S. Office of Management and Budget Circular A-133.

Assurance Regarding Compliance with Grant Program Requirements

The grantee agrees to comply with all applicable requirements of all state statutes, federal laws, executive orders, regulations, policies and award conditions governing this program. The grantee understands and agrees that if it materially fails to comply with the terms and conditions of the grant award, the Michigan Department of Education may withhold funds otherwise due to the grantee from this grant program, any other federal grant programs or the State School Aid Act of 1979 as amended, until the grantee comes into compliance or the matter has been adjudicated and the amount disallowed has been recaptured (forfeited). The Department may withhold up to 100% of any payment based on a monitoring finding, audit finding or pending final report.

Certification Regarding Title II of the Americans With Disabilities Act (A.D.A.), P.L. 101-336, State and Local Government Services

The Americans with Disabilities Act (ADA) provides comprehensive civil rights protections for individuals with disabilities. Title II of the ADA covers programs, activities, and services of public entities. Title II requires that, "No qualified individual with a disability shall, by reason of such disability be excluded from participation in or be denied the benefits of the services, programs, or activities of a public entity, or be subjected to discrimination by such entity." In accordance with Title II ADA provisions, the applicant has conducted a review of its employment and program/service delivery processes and has developed solutions to correcting barriers identified in the review.

Certification Regarding Title III of the Americans With Disabilities Act (A.D.A.), P.L. 101-336, Public Accommodations and Commercial Facilities

The Americans with Disabilities Act (ADA) provides comprehensive civil rights protections for individuals with disabilities. Title III of the ADA covers public accommodations (private entities that affect commerce, such as museums, libraries, private schools and day care centers) and only addresses existing facilities and readily achievable barrier removal. In accordance with Title III provisions, the applicant has taken the necessary action to ensure that individuals with a disability are provided full and equal access to the goods, services, facilities, privileges, advantages, or accommodations offered by the applicant. In addition, a Title III entity, upon receiving a grant from the Michigan Department of Education, is required to meet the higher standards (i.e., program accessibility standards) as set forth in Title III of the ADA for the program or service for which they receive a grant.

Certification Regarding Gun-Free Schools - Federal Programs (Section 4141, Part A, Title IV, NCLB)

The applicant assures that it has in effect a policy requiring the expulsion from school for a period of not less than one year of any student who is determined to have brought a weapon to school under the jurisdiction of the agency except such policy may allow the chief administering officer of the agency to modify such expulsion requirements for student on a case-by-case basis. (The term "weapon" means a firearm as such term is defined in Section 92` of Title 18, United States Code.)

Comment [B1]: Use only for federal grants to LEAs, PSAs ISDs

The district has adopted, or is in the process of adopting, a policy requiring referral to the criminal or juvenile justice system of any student who brings a firearm or weapon to a school served by the agency.

Audit Requirements

All grant recipients who spend \$500,000 or more in federal funds from one or more sources are required to have an audit performed in compliance with the Single Audit Act (*effective July 1, 2003*).

Further, the applicant hereby assures that it will direct its auditors to provide the Michigan Department of Education access to their audit work papers to upon the request of the Michigan Department of Education.

Certification Regarding Drug-Free Workplace Requirements

The applicant agrees to comply with the Drug-Free Workplace Act of 1988, and implemented at 34 CFR Part 85, Subpart F, for grantees, as defined at 34 CFR Part 85.605 and 85.610.

Participation of Non-Public Schools

The state and eligible recipients that use funds under this Act for inservice and pre-service career and technical education professional development programs for career and technical education teachers, administrators, and other personnel shall, to the extent practicable, upon written request, permit the participation in such programs of career and technical education secondary school teachers, administrators, and other personnel in nonprofit private schools offering career and technical secondary education programs located in the geographical area served by such eligible agency or eligible recipient.

The state assures, except as prohibited by state or local law, that an eligible recipient may, upon written request, use funds made available under this Act to provide for the meaningful participation, in career and technical education programs and activities receiving funds under this Act, of secondary school students attending nonprofit private schools who reside in the geographical area served by the eligible recipient.

The state assures that eligible recipients that receive an allotment under this Act will consult, upon written request, in a timely and meaningful manner with representatives of nonprofit private schools in the geographical area served by the eligible recipient regarding the meaningful participation, in career and technical education programs and activities receiving funding under this Act, of secondary school students attending nonprofit private schools.

Assurance Concerning Non-Construction Programs

The applicant will comply with the following regulations regarding non-construction programs:

- a. Has the legal authority to apply for federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-federal share of project cost) to ensure proper planning, management, and completion of the project described in this application.
- b. Will give the awarding agency, the Comptroller General of the United States, and if appropriate, the state, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.

- c. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
- d. Will initiate and complete the work within the applicable time frame after receipt of approval from the awarding agency.
- e. Will comply, as applicable, with the provisions of the Hatch Act (5U.S.C. 1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with federal funds.

Civil Rights

The Civil Rights Compliance Program, administered by the Office of Career and Technical Education, enforces several statutes that protect the rights of beneficiaries of programs, activities, or services as part of approved career and technical/occupational education programs that receive federal financial assistance. The laws prohibit discrimination on the basis of race, color, and national origin (Title VI of the Civil Rights Act of 1964), sex (Title IX of the Education Amendments of 1972), disability (Section 504 of the Rehabilitation Act of 1973, Title II of the Americans With Disabilities Act of 1990), and age (Age Discrimination Act of 1975.)

Boy Scouts of America

The applicant assures compliance with the Boy Scouts of America Equal Access Act of 2001, 20 U.S.C. 7905, if applicable, which requires equal access for the Boy Scouts of America and other designated youth groups to meet at public schools. This law applies to any public elementary school, public secondary school, local educational agency, or state educational agency that has a designated open forum or limited public forum and that receives funds made available through the Department.

Supplement, not Supplant

Federal funds received under this Act shall be used to supplement, and not supplant, state or local funds for any activity carried out in delivery of this program.

Specific Assurances

Funds allocated to a regional consortium shall be used only for purposes and programs that are mutually beneficial to all members of the consortium and can be used only for authorized programs. Such funds may not be reallocated to individual members of the consortium for purposes or programs benefitting only one member of the consortium.

Regional grant application materials, end-of-year reports, fiscal documentation (budget and expenditure detail) and data will be coordinated through the Regional CI Coordinator in collaboration with the regional fiscal agencies and submitted to the Office of Career and Technical Education as one report and the original documentation will be maintained at the regional fiscal level. The original supporting documents must be kept by the fiscal agent and will be made available to the Office of Career and Technical Education at any time for auditing purposes.

Signed cooperative agreements from participating local education under Secondary CTE Perkins and Tech Prep grant provisions will be maintained and updated as necessary.

Individual student enrollment data must be reported on the Career Technical Education Information System (CTEIS) in an accurate and timely manner for all state-approved CTE programs for accountability and measurement purposes.

Any deviations from the approved activities or expenditures will have prior written approval from the Michigan Department of Education, Office of Career and Technical Education.

This application has been prepared by, or in cooperation with fiscal agency's business office. We certify that the agency records will provide a clear audit trail and accountability for report of revenues and expenditures. We also certify that accounts specified in Bulletin 1022 of the Department are in use or are clearly cross-referenced to assure uniform account classifications.

The End-of-Year report of activities, expenditures and expenditure detail will be completed and submitted within 60 days of the program ending date. Failure to submit these reports by the designated date may result in loss of all previously allocated but not requested funds and/or the possible recovery by the state of all funds advanced on this program.

All Tech Prep Consortium/Regional participants will review, update, and agree upon all Tech Prep articulated programs on an annual basis. Current copies of all Articulation Agreements between members of Tech Prep Education regional consortia will be kept at the coordinating agency and will be made available upon request to the Office of Career and Technical Education at any time for auditing purposes.

In the event that a participating education agency is delinquent in submitting required data to the fiscal agency, a specific request and deadline for the report or other required data shall be delivered in writing to the participating education agency by the fiscal agency. If the participating education agency is requested to return federal funds received for the fiscal year, they will be prohibited from receiving any such funds in the subsequent fiscal year.

All agencies participating in CTE Perkins or Tech Prep must submit fall (4483-A), spring (4483-D) and end-of-year enrollment data (4301) for all approved CTE programs through the OCTE Career and Technical Education Information System (CTEIS) or funds will be withheld. All agencies must conduct a student follow-up on all completers of CTE programs offered by the agency using the OCTE survey format. CTEIS data must reflect appropriate identification of special population students and must be continually reviewed and updated to reflect current student populations. In conducting programs, all agencies must comply with the provisions of the *Michigan Carl D. Perkins State Plan* and the *Administrative Guide for Career and Technical Education in Michigan*.

Secondary CTE Perkins and Tech Prep grants will be reviewed by the Education Advisory Group and Workforce Development Board of the region.

Participating agencies will work together towards continuous improvement of accountability measures and requirements contained in the Perkins IV legislation (Title I, Title II, Secondary and Postsecondary).

Participating agencies must provide the Department with the necessary information to reasonably carry out its function under the Perkins IV legislation. In circumstances where noncompliance has been established, state and/or federal funds may be withheld from an institution until the school district reaches compliance or funds may be payback/recaptured from the recipient.

VIII. Resources

Recipients of federal or state education funds should be familiar with the following resources:

- Carl D. Perkins Career and Technical Education Act of 2006, Public Law 109-270
http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=109_cong_bills&docid=f:s250enr.txt.pdf
- Michigan Public School Accounting Manual
http://www.michigan.gov/mde/0,1607,7-140-6530_6605-21321--,00.html
- Michigan School Auditing Manual
http://www.michigan.gov/documents/mde/Web_Version_196712_7.doc
- Education Department General Administrative Regulations (EDGAR), 34 CFR Parts 76-99
United States Department of Education, June 2005, as amended
<http://www.ed.gov/policy/fund/reg/edgarReg/edgar.html>
- OMB Circulars A-21, A-87, A-133
United States Office of Management and Budget
<http://www.whitehouse.gov/omb/circulars/index.html>

PERSONNEL ACTIVITY REPORT

SAMPLE

PERSONNEL ACTIVITY REPORT
(Round entries to the nearest half hour)

EMPLOYEE NAME: _____

Pay Period Number _____

FISCAL YEAR 2009

Pay Period Starting and Ending Dates
Enter **actual hours** worked on each cost objective each day

Cost Objectives (Funding Sources)	Budgeted Percentage	M					T					PP TOTAL	YTD HOURS	YTD %
		M	T	W	TH	F	M	T	W	TH	F			
												0.0	0.0	
												0.0	0.0	
												0.0	0.0	
												0.0	0.0	
												0.0	0.0	
												0.0	0.0	0%
DAILY TOTAL		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
ANNUAL LEAVE												0.0	0.0	
SICK LEAVE												0.0	0.0	
SCHOOL LEAVE												0.0	0.0	
OTHER												0.0	0.0	
HOLIDAY												0.0	0.0	
DAILY TOTAL		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
TOTAL PAY PERIOD		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	

Employee Signature

Date