# Career and Technical Education

# Perkins Leadership Activities Grants: *Strengthening Career and Technical Education for the 21st Century Act Of 2018*, (Perkins V), P.L. 109-270 (119): 2026-2027

*April 2026*

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# I. Federal Vocational-Technical Education: State Leadership Funding

## A. Purpose of the Perkins Act

Several themes are evident throughout Perkins V: accountability for results and program improvement at all levels, increased coordination within the CTE system, stronger academic and technical integration, connections between secondary and postsecondary education and links to business and industry.

The purpose of this Act is to develop more fully the academic and career and technical skills of secondary education students and postsecondary education students who elect to enroll in career and technical education programs by:

1. Building on the efforts of states and localities to develop challenging academic and technical standards and to assist students in meeting such standards, including preparation for high-priority, high-skill, high-wage, or high-demand occupations in current or emerging professions.
2. Promoting the development of services and activities that integrate rigorous and challenging academic and career and technical instruction, and link secondary education and postsecondary education for participating career and technical education students.
3. Increasing state and local flexibility in providing services and activities designed to develop, implement, and improve career and technical education.
4. Conducting and disseminating national research and disseminating information on best practices that improve career and technical education programs, services, and activities.
5. Providing technical assistance that promotes leadership, initial preparation, and professional development at the state and local levels, and that improves the quality of career and technical education teachers, faculty, administrators, and counselors.
6. Supporting partnerships among secondary schools, postsecondary institutions, baccalaureate degree granting institutions, area career and technical education schools, local workforce investment boards, business and industry, and intermediaries.
7. Providing individuals with opportunities throughout their lifetimes to develop, in conjunction with other education and training programs, the knowledge and skills needed to keep the United States competitive.

## B. Eligible Applicants

The eligible applicant must be a secondary career and technical center or postsecondary education institution that currently provides statewide technical assistance to CTCs and high schools with Pennsylvania Department of Education approved secondary CTE programs and postsecondary education institutions that are recipients of federal Perkins V funds.

## C. Eligibility

To qualify for funding, the educational entity must be a secondary or postsecondary institution that can demonstrate effectiveness in providing statewide technical assistance and professional development along with other services as determined by the Pennsylvania Department of Education (PDE) that are related to career and technical education provided by schools with PDE-approved secondary CTE programs and postsecondary institutions that receive federal Perkins grant.

For the purposes of determining demonstrated effectiveness, PDE requires applicants to provide quantitative data for the immediately preceding three program years.

## D. Standard Narrative Content

1. **Statement of Needs/Funding Justification** – Provide a narrative that indicates the objective selected from these guidelines. State how it supports the development of state leadership and why the accomplishment of this grant application should be used as an exemplary practice throughout the Commonwealth.

2. **Performance Measures and Evaluation Procedures** – Describe the performance measure for each objective and the evaluation procedures to measure the level of achievement of each objective.

3. **Personnel** – List by name and title all persons projected to be employed with Federal funds in this project. Provide the area of certification or credential for staff named on the project. List previous work experience and expertise related to the project. Personnel responsible for carrying out activities are to be listed, and the number of hours that each staff person will be assigned to work on this project must be included.

4. **Facilities** – Identify, by address, where the project will be located. Identify any outstanding or usual features of the facilities as related to the project.

5. **Equity** – Describe how gender bias and stereotyping will be eliminated and nontraditional enrollment/employment will be encouraged at the schools and postsecondary education institutions served.

6. **Coordination with Other Programs/Initiatives** – Provide specific examples of coordinated activities. Examples might include programs such as secondary CTE, postsecondary CTE, etc.

7. **Action Plan Describing Objective and Activities**

   a. **Objective** – State the objective(s) as listed above in the performance measure and evaluation methods and procedures section.

   b. **Activities** – List the specific activities for which funding is being requested and will accomplish the chosen objective. Include where the activity will take place and the timeline.

   c. **Products** – List the specific **statewide** products that will be available due to this grant and describe how the products will be disseminated.

d. **Funds** – Identify the funds that will be used to complete each activity. Note: the total funds within the action plan must add up to the total amount of the budget, minus any indirect costs.

# II. General Information

This federal grant program is administered by the Pennsylvania Department of Education. Correspondence concerning this funding program is addressed to:

Lynn Aul
Career and Technical Education Advisor
Phone: (717) 772-2499
Email: lyaul@pa.gov

## A. Application Deadline

All applications must be received by 5:00 PM, Tuesday, May 26*, 2026.*

## B. How to Apply

Individuals wanting to apply for funding are required to apply through the online, Internet-based eGrants system found at the eGrants website.

## C. Reasons for Disqualification

Agencies that are not eligible agencies and are not proposing to develop or operate eligible programs or services to serve eligible clients will be disqualified.

## D. Reasons for the Failure of Applications to Be Funded

1. Limitations of funding.
2. Applicant is identified as not being responsible because of delinquent tax debt, bankruptcy, criminal activity, or other conditions specified in the State Contractor Responsibility Program [see Management Directive 215.9 (04/16/1999)].
3. Failure to timely submit a Final Performance Report for a previous grant award.

## E. Risk Assessment

There is a new "Risk Assessment" requirement. The State must evaluate the level of risk of an applicant during the pre-award process and may assign specific conditions. Risk factors to consider include previous non-compliance, were any major issues corrected, are there new personnel, substantial changes in the system, new grant recipient, and results of any federal monitoring with specific conditions required.

The following questions will assist with the evaluation of the applicant's risk level for any future pre-award process.

1. Is the Director new? If so, provide contact information for Director.

2. Is the Business Manager new? If so, provide contact information for Business Manager.

3. Is the Perkins Coordinator new? If so, provide contact information for Perkins Coordinator. Indicate number months or years as the Perkins Coordinator.
4. Were there any Perkins' corrective actions in the last two years? If so, provide documentation that all corrections identified in previous Perkins on-site Compliance Reports have been completely satisfied and fully implemented. If corrections have not been completed, provide a detailed explanation. If you have not received an on-site visit within the last five years, simply indicate "N/A."
5. Were there any Single Audit findings in the last two years? If so, have the findings and corrective actions corrected? If not, please explain. Note: please include the finding and the year.
6. Was a "Sanction Letter" received within the last three years? If so, indicate what year(s). Note: Letters included the performance indicator(s) that have not met 90% of the local adjusted level of performance for three consecutive years. Also, the letters are signed by Dr. Lee Burket.

## F. Notification of Application Approval and Formal Contract

An approvable application is acknowledged by the Bureau by sending the eligible recipient notification via the eGrants messaging system. This notification is the interim approval pending full review and execution of the contract or rider. It establishes the beginning date for obligating funds for the project.

When notified via the eGrants messaging system that a project is approvable, a copy of the appropriate contracting document will be available online to print and sign. The project number, as well as the total amount of funds and the beginning and ending date of the project, will appear on the rider or contract. Note: If applicable, follow the directions for electronic signature available when your application is substantially approved.

The individual(s) authorized to sign the Perkins State Leadership Funding grant agreement or contract document are as follows:

1. Career Technology Center (CTC)/Area Vocational Technical School (AVTS) – Director or superintendent of record
2. School district – Superintendent
3. Charter school – Director
4. Intermediate unit – Executive director
5. Postsecondary institution, university, or community college – President and other signatures required on PA System of Higher Education Grants (PASSHE)
6. Any other entity – President or vice president and the board secretary or treasurer**.**

If your institution is not approved for electronic signature, the signed and dated document must be sent (in paper form) to PDE.

## G. Ineligible Use of Perkins Funds

Providing meals during a conference or workshop.

## H. Budget Categories for Eligible Expenditures

1. Items requested are those required to implement the activities described in the standard narrative. Each application must contain an itemized budget of all planned expenditures with dollar amounts.

2. Reimbursable costs are limited to the eligible expenditures identified in each function. Support personnel, such as secretaries and clerical staff, are budgeted under the same function as the person(s) they support. Items requested are those required to implement the activities described in the action plan.

3. The budget is separated into various functions in accordance with the [Pennsylvania school accounting manual.] Not all the functions are allowable budget categories for career and technical education projects. Below is a listing of the allowable functions and objects:

### a. Functions

**(1) Instructional (1000)** – Includes all activities dealing directly with the interaction between teachers or support personnel and students. It may also be provided through some other approved medium such as television, radio, computers, correspondence, or telephone.

**(2) Pupil Personnel Services (2100)** – Activities include, but are not limited to, counseling with students and parents, evaluating student abilities, career counseling, referral, and placement assistance.

**(3) Staff Support Services (2200)** – Activities associated with assisting, supporting, and advising the instructional staff with, or on the content and process of, providing learning experiences for students. Staff in-service and curriculum development activities are listed.

**(4) Transportation (2700)** – Supplemental transportation services necessary to accommodate special populations students. Must be in addition to regular pupil transportation services. Educational field trips should be charged to function 1000.

**(5) Other Financing Uses (Operational Cost) (5000)** – Used in conjunction with Object Code 900.

If an Indirect Cost Rate is desired, the request must be submitted as part of the Annual Financial Report, PDE-2057.

(a) School districts, IUs and CTCs must use an approved restricted indirect cost rate established by the Comptroller’s Office. (Total Budgeted Amount – Function Code 700) x Applicant Indirect Cost Rate = Maximum Allowed Indirect Cost Amount.

(b) All other entities may use a rate of eight percent of the first $50,000 and one percent of amounts over $50,000. (50,000 x 0.08) + ((Total Amount Budgeted – Function Code 700 – 50,000) x 0.01) = Maximum Allowed Indirect Cost Amount.

(c) Indirect cost is calculated on direct costs, excluding equipment.

(d) Indirect cost is considered an administrative cost. The Perkins Act of 1998 limits the amount of administrative costs to no more than five percent of grant funds. The only other allowable administrative cost is the single audit that is budgeted in Function 2500, Object 300. Indirect costs and single audit costs, when added together, cannot equal more than five percent of the total project. This applies to the budget, as well as to final claimed costs. All budget figures must be rounded to the nearest dollar. (Indirect Costs + Single Audit Cost) must be ≤ (Total Project Amount x 0.05).

(e) The Claimed Indirect Cost must satisfy both a) or b) AND d). Therefore, it will be the lower of the two results.

All budget figures must be rounded to the nearest dollar.

Within each function area, costs are to be broken down into types of costs defined by object codes. Allowable costs include:

**b. Object Codes**

**(1) Salaries – Object Code 100** – Show position and number of hours assigned to the project and dollar amount.

**(2) Benefits – Object Code 200** – Charge as the same percent as applicable salaries. May be budgeted as a composite rate. Under the description, show the composite rate. The amount charged must be the net of offsetting revenue received from the Commonwealth.

**(3) Purchased Professional and Technical Services – Object Code 300** – Show name of contractor (if known), purpose of contracted service, number of days and rate of pay. Copies of subcontracts may be requested by PDE. The eGrants system allows 50 spaces for description. Be as descriptive as possible.

**(4) Other Purchased Services – Object Code 500** – Include costs associated with employee travel limited to within the Commonwealth. Reimbursement must be at or below state rates of daily subsistence, and government rates for lodging, if available. Higher rates may be charged if it is the policy of the grantee and is so indicated in the Master Agreement with PDE or in an official policy statement of the grantee. Other costs include contracted transportation of students for field trips, telephone, postage, printing, and advertising. Note: Unnecessary costs to complete the program will not be funded. The e-Grants system provides a dropdown box to choose the various categories of costs. Conference expenses are to be recorded separately from daily travel reimbursements.

**(5) Supplies and Materials – Object Code 600** – Includes educational materials, supplies, software, hand tools, books and equipment items costing less than $1,500.00 per item. Provide a brief description. Note: Unnecessary costs to complete the program will not be funded.

(6) **Property (Equipment) – Object Code 700** – Purchases of new or replacement instructional equipment are to be listed by description, unit cost, number, and location. Equipment must be necessary to meet project objectives. Purchase of vehicles is not allowed**.** Equipment must be tagged with the source of funding and the year purchased. An inventory record must also be maintained. An equipment item is any instrument, machine, apparatus, or set of articles that costs $1,500.00 or more and meets all the following criteria:

(a) It retains its original shape, appearance, and character with use.

(b) It does not lose its identity through fabrication or incorporation into a different or more complex unit or substance.

(c) It is nonexpendable. That is, if the item is damaged or some of its parts are lost or worn out, it is more feasible to repair the item than to replace it with an entirely new unit.

(d) Under normal conditions of use, including reasonable care and maintenance, it can be expected to serve its principal purpose for more than one 12-month fiscal period.

(e) Computer equipment, such as monitors, disk drives, keyboards, printers, cables, etc. that are purchased as a unit (system) should be listed and priced as a "system." Such purchases should not be broken down into components to achieve costs of less than $1,500.00.

c. **Operational Rate – Object Code 900** – See information under **Functions – Other Financing Uses Indirect Cost Operational Rate (5000).**

# III. General Administrative Provisions

## A. Federal Audits

1. Each non-federal entity that expends a total of $500,000.00 or more in any fiscal year shall have either a single audit or program-specific audit based upon the following criteria: (a) if such amounts are expended under more than one federal program, a single audit is required; (b) if such amount is expended under a single federal program, then the entity can elect to have a program-specific audit performed, rather than a single audit.

2. **Audit Costs** made in accordance with OMB Circular A-133 are allowable charges to Federal assistance programs, as either direct or indirect costs. Generally, the percentage of costs charged to a federally funded program for a single audit shall not exceed the percentage that Federal funds expended by the recipient during the audit period.

3. **Information** regarding the performance and reporting of the Single Audit may be directed to the PA Office of the Budget, Bureau of Accounting and Financial Management at (717) 787-6496. Questions regarding audit resolution issues may be directed to the PA Department of Education, Single Audit Coordinator at (717) 265-7269.

## B. Utilization and Control of Funds

1. Period for Obligation of Funds by Recipients:

    a. PDE's Bureau of Career and Technical Education, determines the beginning date and period of obligation of each project when the total application is received in substantially approvable form. The Bureau acknowledges the completeness of each application via notification on the eGrants system. The period during which funds may be obligated is also indicated in the Standard Contract or Rider. The contract document is printed from an approved eGrants project and will have the beginning and ending dates printed on the document.

    b. Thirty percent of this project's funding is available for obligation between July 1 and September 30. The remaining seventy percent will be available when the October federal grant supplement is received. In anticipation of your need to obligate more than thirty percent of your funds before October 1, PDE is authorizing pre-award costs.

    c. Determination of Obligations – The following table is taken from federal regulations (34 CFR 76.707) and shows when a subgrantee of the state makes obligations for various kinds of property and services. This is not a list of approvable expenditures.

| If the obligation is for: | The obligation is made: |
|---|---|
| (1) Acquisition of real or personal property | On the date on which the subgrantee makes a binding written commitment to obtain the property |
| (2) Personal services by an employee of the subgrantee | When the services are performed |
| (3) Personal services by a person who is not an employee of the subgrantee | On the date on which the subgrantee makes a binding written commitment to obtain the services |
| (4) Performance of work other than personal services | On the date on which the subgrantee makes a binding written commitment to obtain the work |
| (5) Public utility services | When the subgrantee receives the services |
| (6) Travel | When travel is taken |
| (7) Rental of real or personal property | When the subgrantee uses the property |

2. Federal funds utilized under the Perkins Act shall be used to supplement, and not supplant, state or local funds.

3. Time records must be maintained for all salaried staff spending less than 100 percent time on the project (this includes full-time educational agency staff who are working on more than one project). Time records must be reported for 100 percent of staff's time, even though only a portion is charged to the project. Failure to maintain time and effort records will result in audit citations and/or contract termination.

## C. Contracts, Grant Agreements, Pennsylvania State System of Higher Education Grants (PASSHE), and Subgrant Agreements

Agreements for funding between the Pennsylvania Department of Education and the grant recipient are in the form of a binding agreement. This agreement will be in the form of a standard contract, grant agreement, a PASSHE grant or a sub-grant agreement depending on the type of entity receiving the award. All school districts, career and technical education centers/area vocational technical schools, intermediate units, and most postsecondary institutions now utilize a grant agreement.

## D. Funding of Contracts

### 1. Payment Schedule

All projects are placed on a system of scheduled payments to provide operating funds during the period of the project. Monthly payments are determined by dividing the project amount by the number of months that the contract operates. The PDE Comptroller's Office will initiate payments upon approval of the project. In the event the start of payments is delayed, the Comptroller's Office will include back payments in the initial project payment up to a maximum of four monthly payments.

The project payment system does not process an automatic monthly payment once the project end date has passed. Projects with payments remaining in their schedule will not automatically receive a monthly payment in the next cycle if the end date has passed. For example, a project ending June 30 with one monthly payment remaining in the schedule will not receive an automated monthly payment in July. Outstanding project balances will be processed for payment based on an approved final expenditure report. Project grantees are advised to submit their Final Expenditure Report in a timely manner.

### 2. Reconciliation of Cash on Hand Quarterly Report (PDE-2030)

Reconciliation of Cash on Hand Reports are due on the 10th working day after each quarter (10th working day of October, January, April, and July). All grant recipients are required to submit their quarterly reports electronically using the Federal Accounting Information, (FAI) website. Paper copies will not be accepted and will not be returned; such reports will be considered delinquent. In order to use the FAI system, you need to first register for security clearance to use the PDE web portal at www.education.pa.gov. Click on "MyPDESuite" in the taskbar (middle or the page), click on "Visit the MyPDESuite login page" under the Login heading, enter your username and password, click "Log In", then click on the FAI hyperlink.

Technical questions relating to the PDE web portal should be directed to the PDE Information Technology help desk at (717) 783-1087 or use the "Contact Us" link in the top right corner of the Login Page of eGrants.

For payment-related questions or for assistance in completion of the quarterly report, email Comptroller Operations at ra-FAIECS@pa.gov.

The quarterly reporting will begin with the first quarter in which payments are received. For example, if the first payment is received in November, the first quarterly report is due in January. Quarters end September 30, December 31, March 31, and

June 30. If all payments are received by June 30, there is no need to submit a report for that quarter.

a. Failure to submit the quarterly report on time or electronically will result in suspension of scheduled payments until the report is received.

b. Quarterly reports can also be used to request an acceleration of payments because of unusual cash needs, such as a large purchase. Use the Comments section of the report to explain the need for an accelerated payment.

## E. Revisions to Approved Contracts

During the operation of this grant, changes in resources, enrollments, performance, or other local developments may necessitate a revision. The request for any revision must follow the procedures on the eGrants application. This feature will be available only after the original application is final approved.

If a revision is necessary, it must be submitted from January 15 through March 31 of each fiscal year. The eGrants system will not accept any revisions after March 31.

Revisions to approved projects shall be initiated by completing the applicable components of the eGrants application online.

No edits are permitted to the Narrative sections when completing a Budget Revision. Changing Narrative responses will not be approved, therefore will delay the approval of Budget Revisions.

No revisions may be made until a project has final approval.

Once Revisions have been closed in eGrants, any costs in a previously unbudgeted function or object code(s) will not be permitted. The Final Expenditure Report will be adjusted and/or the LEA will need to return funding to the state.

Project revisions must be submitted for approval under any of the following conditions:

1. Any costs that need to be budgeted in a previously unbudgeted function or object.

2. Any changes that are requested for equipment items (either new, substitutions or quantity changes, or if it is determined that equipment will not be purchased).

3. A budget revision is required to transfer funds from one or more function or object categories to other function or object category amount in the approved budget. A major category of expenditure is a Function Total or an Object Total. To determine if a budget revision is needed, check the Summary Budget. If a row or column total will exceed 10 percent of the approved Summary Budget row or column totals, a Budget Revision is necessary.

For example, the grantee's approved budget for Object 600 – Supplies is $115,785.00, with a 10% variance allowed of $11,578.50. The grantee has spent or encumbered $153,431.13 in Object 600. The grantee has exceeded the approved budget amount by $37,646.13 or 33% and is over the 10% variance by $26,067.63

Programmatic changes (changes that involve or alter the objective of the project) need prior approval, even if within the approved parameters.

**1. Final Expenditure Report**

a. All grant recipients are required to submit their Final Expenditure Reports (FER) electronically using the PDE eGrants website. Paper copies will not be accepted and will not be returned. If an electronic copy of the report with an electronic signature on page one is not submitted, the report will be considered delinquent. Instructions for completing the FER are available on the PDE's website.

b. The FER is due no later than 60 days after the close of the project (the close of the project is June 30, the FER is due August 31). FERs may be submitted only after completion of project activities and payment of all obligations. All obligations must be encumbered on or before June 30. All obligations must be paid in full (on or before August 31) when the FER is submitted. However, recipients should submit the FER as soon as all project obligations are paid.

c. PDE's Bureau of Career and Technical Education will conduct a review of the FER for completeness, accuracy, and budget compliance. Approved reports are forwarded to the Comptroller's Office for closure and final payment. Reports found to be incomplete or incorrect are returned to the recipient for further explanation or correction.

d. Costs found to be unallowable will be deducted from the total expenditures claimed and will either be subtracted from the final payment or requested as a refund. The recipient has the right to request a reconsideration of any disallowed costs. Upon receipt of notification of a disallowance, a recipient may write to Elizabeth Brennan at the address below and request reconsideration by explaining the reason for the request. Any documentation that will substantiate the recipient's request should accompany the letter. A notification will be sent to the recipient regarding the Bureau's decision. If the recipient is dissatisfied with the response, a request for further reconsideration may be sent to Judd Pittman, Director of the Bureau of Career and Technical Education, at the address below.

e. If circumstances prevent timely submission of the report due to a large volume of information being collected, approval for an extension of time must be requested by writing to Elizabeth Brennan at the address below, or by emailing elbrennan@pa.gov at the Bureau of Career and Technical Education. An extension will not be approved because of outstanding obligations.

f. PDE reserves the right to stop any and all payments of state and federal funds from any source due to a recipient for failure to submit the FER within 60 days after the close of the project. If a recipient fails to submit the FER, even after notification of delinquency, PDE may require the recipient to return all funds advanced under the project.

g. Any omissions in, or corrections to, the initial submission may be made by submitting a revised FER. Revised FERs must be submitted no later than four months after the original due date.

   A check for any unused funds must be sent to the Department of Education, **along with** an electronically signed copy of page one of the FER. The check should be **made payable** to the **Commonwealth of Pennsylvania** and mailed to Mukta Sharma at:

Pennsylvania Department of Education
Bureau of Career and Technical Education
607 South Drive, 4th floor
Harrisburg, PA 17120-0600

h. Questions concerning the instructions for completion of the Final Expenditure Report should be directed to Mukta Sharma, PA Department of Education, Bureau of Career and Technical Education at (717) 395-9294 or emailed to msharma@pa.gov.

## 2. Interest

The Cash Management Act of 1990 governs interest earned on federal funds. The specific policies for federal programs administered and funded by the U.S. Department of Education are promulgated in Education Department General Administrative Regulations (EDGAR). Section 80.21 (i) of EDGAR requires that, subject to the exceptions in 80.4, subgrantees promptly, but at least quarterly, remit to the federal agency the interest earned on advances. The grantee or subgrantee may keep interest amounts up to $100.00 per year for administrative expenses.

Interest earned on federal funds received in advance and greater than $100.00 should be sent to the following address:

U.S. Department of Education
P.O. Box 979053
St. Louis, MO 63197-9000

## 3. Record Keeping and Cost Principles

Each grant recipient is required to maintain adequate records to provide full disclosure of grant expenditures. Such records include purchase orders, invoices, payroll records, time, and service function records in support of payroll, bid solicitations, contracts, and checks issued.

**Each grant recipient shall retain records of grant activities for six years after completion of the activity for which they use grant funds as required by the Public School Code. Equipment records shall be maintained for six years.**

State and local governments should adhere to the Cost Principles as contained in 34 CFR (Code of Federal Regulations), Part 80. Institutions of higher education should refer to the Cost Principles in 34 CFR, Part 74. Both regulations are part of the Education Department General Administration Regulations (EDGAR). In addition, the Office of Management and Budget (OMB) publish three circulars that address cost principles. They are OMB Circular A-87, *Cost Principles for State and Local Governments*; OMB Circular A-21, *Cost Principles for Educational Institutions* and OMB Circular A-122, *Cost Principles for Non-Profit Organizations*.

## F. Equipment – Inventory, Usage, and Disposition

1. Grant recipients are required to follow the equipment management rules found in 34 CFR 80.32.

   a. Title to equipment acquired under the grant will vest under the acquisition to the grantee and subgrantee, respectively.

   b. Equipment will be used by the LEA in the program for which it was purchased, for as long as it is needed, whether federal funding continues. When no longer needed for the original program, the equipment may be used in other activities currently or previously supported by federal funds.

   c. The LEA shall also make equipment available for use in other programs currently or previously supported with federal funds so long as such usage does not interfere with the purpose for which it was purchased. Preference should be given to programs funded by the awarding agency.

   d. Equipment acquired with grant funds may not be used to provide services for a fee to compete unfairly with private companies that provide equivalent services.

   e. When acquiring replacement equipment, the recipient may use the equipment as trade-in to offset the cost of the replacement equipment.

   f. Inventory records must be maintained by the recipient that include description, manufacturer’s serial number, project number, acquisition date, percentage of federal participation in cost, location and condition, unit acquisition cost and ultimate disposition information. Inventory must be taken every two years.

   g. A control system must be in place to safeguard the equipment.

   h. Disposition: When equipment is no longer needed for the original project or program or for activities previously or currently supported with federal funds, the equipment disposition is made as follows:

      (1) Items with a **current per-unit fair market value of less than $5,000.00** may be retained or sold or otherwise disposed of with no further obligation to the awarding agency.

      (2) Items with a current per-unit fair market value in excess of $5,000.00 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 of the sale by the awarding agency’s share in the original purchase.

## G. Uses of Funds

In the approved contract, the contract agency has committed to programs, services, products, or activities that require the expenditure of Career and Technical Education State Leadership Funding. These commitments are expressed in the objectives of the contract and must be reported annually.

## H. Final Performance Report

An annual Final Performance Report is required to demonstrate that a self-evaluation has taken place to track progress toward achieving goals. Progress is tracked through documentation of Assurances, Expenditures and Narrative Report.

The 2025-2026 Final Performance Report (Interim Report) must be submitted online via the eGrants system prior to final approval of a new contract for the 2026-2027 fiscal year. Paper copies will not be accepted and will not be returned. If an electronic copy of the report is not submitted, the report will be considered delinquent.

The 2025-2026 Final Performance Report must be submitted on/or before July 14 for an agency to be eligible for continued funding.

For information and guidance on the Final Performance report, contact:

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