

## APPENDIX C

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### **Guidelines, Definitions and Allowable Expenditures**

#### **The Economic and Workforce Development Program**

Deputy Sector Navigator Grant

Sector Navigator Grant

Technical Assistance Provider:

Centers of Excellence for Labor-Market Research (CoE)

#### **The Perkins IV, Title I, Part B**

Regional Consortia Grant

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#### **Determining if a Cost is Allowable**

All allowable costs, must meet three primary criteria: 1) Substantiate that the cost was necessary and reasonable for proper and effective administration of the allocations; 2) The cost must be allocable to the funding source activities; and 3) The cost must not be a general expense required to carry out the fiscal agent's overall responsibilities (not supplanting). However, even if the costs meet the prior three criteria, the costs must be approved within the application annual workplan/budget summary of the individual fiscal agent otherwise they are not allowable within that year without annual workplan/budget summary changes. Also the State has the discretion to impose special conditions above and beyond the funding source which would also determine allowability of cost.

***While the proposed cost is allowable under the funding source is it also reasonable?***

Reasonable is defined by the dictionary as: agreeable to sound judgment, not exceeding the limit prescribed by reason (not excessive), moderate in price, and a rational decision.

Systems that can guide this definition are: necessary for the performance of the grant; following sound business practices (procurement processes, follow state and local laws, follow the terms of the grant); use of fair market prices; acting with prudence under the circumstances; and having no significant deviation from established prices.

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### ***What are the guidelines of Allocable?***

Allocable is defined by the dictionary as: capable of being allocated or assigned. A cost is considered allocable to a particular funding source/program to the extent it actually benefits the objectives of that program. You can only charge in proportion to the value received by the funding source/program. An example would be that a Sector Navigator works 80% on the funded program (only 80% of the salary and benefits can be charged in the grant application). Above and beyond this definition allocable also means that the cost must be related to the annual workplan/activities that have been approved by the fiscal agent's Project Monitor.

### ***What is supplanting?***

Economic and Workforce Development Program (EWDP) and Perkins IV funding may not result in a decrease in state or local funding that would have been available to conduct the activity had these funds not been received. These funding sources may not free up state or local dollars for other purposes but should create or augment programs to an extent not possible without EWDP/Perkins IV funding. You must be able to demonstrate that these funding sources are added to the amount of state and local funds that would, in absence of EWD/Perkins IV funds, be made available for uses specified in your plan.

## **Activities for SB 1402**

### **Sector Navigator Grants, Sector Navigator Grant, Technical Assistance Provider: Centers of excellence for Labor-Market Research (CoE)**

88631. Economic and workforce development program centers and California Community Colleges participation in industry-driven regional collaboratives may provide any or all of the following services and perform the following functions as participants of networks, including, but not necessarily limited to, all of the following:

- (a) Convening skill panels to produce deliverables, such as curriculum models, that contribute to workforce skill development common to competitive and emerging industry sectors and industry clusters within a region.
- (b) Development of instructional packages focusing on the technical skill specific to emerging or changing occupations in targeted industry sectors and industry clusters.
- (c) Support student or worker evaluation of, and fit for, career paths by articulating how a curriculum model fits within a career pathway or career

- lattice or system of stackable credentials, relevant career readiness battery scores, and career guidance tools.
- (d) Faculty mentorships, faculty and staff development, in-service training, and worksite experience supporting the new curriculum and instructional modes responding to identified regional needs.
  - (e) Institutional support, professional development, and transformational activities focused on removing systemic barriers to the development of new methods, transition to a flexible and more responsive administration of programs, and the timely and cost-effective delivery of services.
  - (f) The deployment of new methodologies, modes, and technologies that enhance performance and outcomes and improve cost-effectiveness of service delivery or create new college programs.
  - (g) One-on-one counseling, seminars, workshops, and conferences that contribute to the achievement of the success of existing businesses and foster the growth of new businesses and jobs in emerging industry clusters.
  - (h) The delivery of performance-improvement training, which shall be provided on a matching basis to employers to benefit workforce participants. This will promote continuous workforce improvement in identified strategic priority areas, identified industry clusters, or areas targeted in the regional business resource assistance and innovation network plans.
  - (i) Credit, not-for-credit, and noncredit programs and courses that contribute to workforce skill development for competitive and emerging industry sectors and industry clusters within a region or that focus on addressing a workforce skills gap or occupational shortage.
  - (j) Subsidized student internships or work-based learning on a cash or in-kind matching basis for program participants in occupational categories identified in competitive and emerging industry sectors and industry clusters.
  - (k) Acquisition of equipment to support the eligible activities and the limited renovation of facilities to accommodate the delivery of eligible services.
  - (l) Submission of performance data for aggregation by the chancellor's office.

## **Activities for Perkins IV, Title I, Part B**

### **Regional Consortia Grants**

The Regional Consortia Grant is about emphasizing the facilitation Statewide Leadership in the following areas. For very specific language see Perkins IV, Section 124. The areas that require funding through Perkins IV, Title I-B are:

#### *Pathways and Programs of Study*

- Supporting partnerships among 7-16, adult education and as appropriate (employers, labor, organization, intermediaries, parents and local partnerships) to have CTE students achieve state academic standards, CTE skills, or complete a CTE program of study
- Establishing Articulation Agreements – Career pathway, career lattice or stackable credential (includes articulations between secondary and postsecondary)

#### *Professional Development*

Professional development programs, including providing comprehensive professional development (including initial teacher preparation) for career and technical education teachers, faculty, administrators, and career guidance and academic counselors at the secondary and postsecondary levels, that support activities described in the Perkins IV Act, section 122 and the following:

Provide in-service and pre-service training in career and technical education programs—

- On effective integration and use of challenging academic and career and technical education provided jointly with academic teachers to the extent practicable;
- On effective teaching skills based on research that includes promising practices;
- On effective practices to improve parental and community involvement; and
- On effective use of scientifically based research and data to improve instruction;
- are high quality, sustained, intensive, and classroom-focused in order to have a positive an lasting impact on classroom instruction and the teacher's performance in the classroom, and are not 1-day or short-term workshops or conferences;

- Will help teachers and personnel to improve student achievement in order to meet the State adjusted levels of performance established under section 113;
- will support education programs for teachers of career and technical education in public schools and other public school personnel who are involved in the direct delivery of educational services to career and technical education students to ensure that teachers and personnel
  - stay current with the needs, expectations, and methods of industry;
  - can effectively develop rigorous and challenging, integrated academic and career and technical education curricula jointly with academic teachers, to the extent practicable;
  - develop a higher level of academic and industry knowledge and skills in career and technical education; and
  - Effectively use applied learning that contributes to the academic and career and technical knowledge of the student.
- Are coordinated with the teacher certification or licensing and professional development activities that the State carries out under title II of the Elementary and Secondary Education Act of 1965 and title II of the Higher Education Act of 1965.

*Career Guidance, Module Development, Counseling*

- Increase academic knowledge and understanding of industry standards; knowledge and skills needed to work with special populations; and access in utilizing data

*Seminars, Workshops, Conferences and Training*

- Support for CTE teachers, faculty, administrators, and career guidance and academic counselors in a variety of ways including seminars, workshops, conferences, training, and technology skills upgrades

*Responsive to Industry Needs*

- Supports partnerships between education, industry, and labor to increase student success

*Transitioning from Community Colleges to UC/CSU*

- Articulation Agreements
- Dual and Concurrent Enrollment
- Academic and Financial Aid Counseling

- Other initiatives that overcome barriers to participation in baccalaureate degrees

#### *Job Placement*

- Provide assistance for CTE students to find appropriate jobs.

#### *Support for occupational and employment information*

##### *Awareness efforts:*

- Provide occupational info to assist with exploration of career options, educational opportunities, financing, non-traditional fields, and exposure to high-wage, high-demand, and high skill occupations.
- Improve coordination between entities.
- Leverage information as a feedback mechanism.
- Provide occupational information relative to employment sector supply and demand.

#### *Across CTE Sectors Activities*

##### *General support for all CTE programs:*

- CTE student organizations (but not individual students)
- CTE programs that offer experience in all aspects of the industry
- Entrepreneurship education and training
- Education programs for adults and school dropouts to complete their

#### *CTE secondary school education*

- Development of assessments for technical skills
- Improve CTE recruitment and retention of teachers, faculty administrators and career guidance and academic counselors.

## **Matching Costs**

A primary factor in considering the award of funds is the level and commitment of business and industry partners. Economic and Workforce Development-funded projects are required to show a dollar-for-dollar match (with the exception of HUB funding). The level and commitment of business and industry shown by cash or in-kind matching basis is required for subsidized internships and performance-improvement training activities. For all other activities, matching resources may come from various sources and may be cash or in-kind. In-kind resources include, but are not limited to, staff time (i.e., industry partner attending advisory committee meetings), facilities, and use of equipment. Cash match may include monetary or equipment donations.

Examples of match include, but are not limited to:

- District commitment such as supervision, rent, utilities, etc.;
- Federal grants;
- Other state grants (with the exception of other Economic and Workforce Development Program SB 1402 grants);
- Equipment donations;
- Professional time donated to the project by individuals (outsider the colleges);
- Donations of office space or meeting locations (at market rental value);
- In-kind services by outside organizations, e.g. mailings, advertisements in existing flyers, labor hours paid for during training; and
- Donation of booth space or conference attendance.

The Chancellor's Office is using the *Office of Management and Budget Circular A-110 section 23 Cost Sharing or Matching* as a guideline for referencing cash and third part in-kind contributions, unrecovered indirect costs, how to evaluate contributions, volunteer services, donated supplies, etc., in regards to matching funds.

## **OMB Circular A-110**

### **23 Cost sharing or matching.**

- (a) All contributions, including cash and third party in-kind, shall be accepted as part of the recipient's cost sharing or matching when such contributions meet all of the following criteria.
  - (1) Are verifiable from the recipient's records.
  - (2) Are not included as contributions for any other federally-assisted project or program.
  - (3) Are necessary and reasonable for proper and efficient accomplishment of project or program objectives.
  - (4) Are allowable under the applicable cost principles.
  - (5) Are not paid by the Federal Government under another award, except where authorized by Federal statute to be used for cost sharing or matching.
  - (6) Are provided for in the approved budget when required by the Federal awarding agency.
  - (7) Conform to other provisions of this Circular, as applicable.
- (b) Unrecovered indirect costs may be included as part of cost sharing or matching only with the prior approval of the Federal awarding agency.
- (c) Values for recipient contributions of services and property shall be established in accordance with the applicable cost principles. If a Federal awarding agency authorizes recipients to donate buildings or land for construction/facilities acquisition projects or long-term use, the value of the donated property for cost sharing or matching shall be the lesser of (1) or (2).
  - (1) The certified value of the remaining life of the property recorded in the recipient's accounting records at the time of donation.
  - (2) The current fair market value. However, when there is sufficient justification, the Federal awarding agency may approve the use of the current fair market value of the donated property, even if it exceeds the certified value at the time of donation to the project.



- (d) Volunteer services furnished by professional and technical personnel, consultants, and other skilled and unskilled labor may be counted as cost sharing or matching if the service is an integral and necessary part of an approved project or program. Rates for volunteer services shall be consistent with those paid for similar work in the recipient's organization. In those instances in which the required skills are not found in the recipient organization, rates shall be consistent with those paid for similar work in the labor market in which the recipient competes for the kind of services involved. In either case, paid fringe benefits that are reasonable, allowable, and allocable may be included in the valuation.
- (e) When an employer other than the recipient furnishes the services of an employee, these services shall be valued at the employee's regular rate of pay (plus an amount of fringe benefits that are reasonable, allowable, and allocable, but exclusive of overhead costs), provided these services are in the same skill for which the employee is normally paid.
- (f) Donated supplies may include such items as expendable equipment, office supplies, laboratory supplies or workshop and classroom supplies. Value assessed to donated supplies included in the cost sharing or matching share shall be reasonable and shall not exceed the fair market value of the property at the time of the donation.
- (g) The method used for determining cost sharing or matching for donated equipment, buildings and land for which title passes to the recipient may differ according to the purpose of the award, if (1) or (2) apply.
  - (1) If the purpose of the award is to assist the recipient in the acquisition of equipment, buildings or land, the total value of the donated property may be claimed as cost sharing or matching.
  - (2) If the purpose of the award is to support activities that require the use of equipment, buildings or land, normally only depreciation or use charges for equipment and buildings may be made. However, the full value of equipment or other capital assets and fair rental charges for land may be allowed, provided that the Federal awarding agency has approved the charges.

- (h) The value of donated property shall be determined in accordance with the usual accounting policies of the recipient, with the following qualifications.
- (1) The value of donated land and buildings shall not exceed its fair market value at the time of donation to the recipient as established by an independent appraiser (e.g., certified real property appraiser or General Services Administration representative) and certified by a responsible official of the recipient.
  - (2) The value of donated equipment shall not exceed the fair market value of equipment of the same age and condition at the time of donation.
  - (3) The value of donated space shall not exceed the fair rental value of comparable space as established by an independent appraisal of comparable space and facilities in a privately-owned building in the same locality.
  - (4) The value of loaned equipment shall not exceed its fair rental value.
  - (5) The following requirements pertain to the recipient's supporting records for in-kind contributions from third parties.
    - i. Volunteer services shall be documented and, to the extent feasible, supported by the same methods used by the recipient for its own employees.
    - ii. The basis for determining the valuation for personal service, material, equipment, buildings and land shall be documented.