

APPENDIX C

Guidelines, Definitions and Allowable Expenditures

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 and/or detail 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.

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 Project Director 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 Chancellor's Office Project Monitor.

What is supplanting?

SB 1070 Career Technical Education Pathways Program and Economic and Workforce Development Program (EWDP) 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 grant funds may not free up state or local dollars for other purposes but should create or augment programs to an extent not possible without the funding. You must be able to demonstrate that the funds are added to the amount of state and local funds that would, in absence of the grant funds, be made available for uses specified in your plan.

Federal grant funds must supplement and not supplant state or local funds. Federal funds may not result in a decrease in state or local funding that would have been available to conduct the activity had Federal funds not been received. Federal funds may not free up state or local dollars for other purposes but should create or augment programs to an extent not possible without federal dollars. You must be able to demonstrate that Federal funds are added to the amount of state and local funds that would, in absence of Federal funds, be made available for uses specified in your plan. Allocation recipients and sub-recipients must use Regional Consortia funds to provide extra goods, services, materials, staff coordination positions etc. that would not otherwise be purchased with state, local or other non-Federal funds.

Permissible Activities for SB 1070

The activities listed below are permissible within Senate Bill 1070. However, as stated in the allowable section above the State has the discretion to impose special conditions on the funding source and/or require certain objectives which also determines allowability of cost. The primary objectives of this RFA are to obtain a technical assistance provider to: (1) support CTE pathways practitioners' efforts to solidify the policies and regional infrastructure necessary to increase the effectiveness of CTE educational pathways from high schools to community colleges; (2) ensure CTE pathways practitioners and the Chancellor's Office are kept informed about the latest research on and best practices in CTE pathways development and implementation; and (3) provide the Chancellor's Office with programmatic and policy recommendations related to CTE pathways. As such, the CTE Pathways TAP should provide technical assistance to CTE pathways practitioners and the Chancellor's Office related to the following allowable activities.

Pathways and Programs of Study

- Prioritize comprehensive regional collaboration to create new pathways or course sequences that start in middle school and lead up to articulating with postsecondary.

Professional Development (Middle & High School Teachers, Community College Faculty)

- Increase academic knowledge & understanding of industry standards.
- Improve delivery of career-oriented CTE education.
- Provide faculty & teacher's access and opportunity to examine current research linked to improving student learning and achieving and maintaining learning communities.
- Expand teacher and faculty opportunities for externships in high-need, high- growth, or emerging job sectors.

Curriculum Alignment, Articulation, and Dual and Concurrent Enrollment

- Align postsecondary CTE programs with high school CTE curriculum for seamless transitions through effective means including articulations.
- Establish articulation agreements; career pathway, career lattice or stackable credential (includes articulations between secondary and postsecondary).
- Promote the participation of middle school and high school pupils and college students in articulated courses developed to meet requirements for UC and CSU admission and align with high-priority industry sectors.
- Establish articulation agreements between community colleges and UC/CSU.
- Use dual and concurrent enrollment in community colleges and UC/CSU.

Industry Needs

- Increase attainment of industry recognized certificates.

Partnerships

- Promote partnerships that will build on existing regional structures in CTE secondary, postsecondary, emerging and growing businesses and industry and associated labor organizations.

Student Success in Postsecondary Education and Training

- Increase middle and high school readiness for and access to postsecondary education and careers – Focused on high-need, high-growth, or emerging regional economic sectors; increase attainment of industry recognized certificates.
- Increase student success in postsecondary education and training – Focused on high-need, high-growth, or emerging regional economic sectors.
- Expand middle and high school pupil and college student opportunities for

paid work opportunities, paid or unpaid internships, and participation in career technical student organizations.

Counseling or Guidance

- Provide counseling or guidance activities (permitted as connected with increasing middle school and high school readiness for and access to postsecondary education and careers).

Curriculum Development

- Develop curriculum model curriculum (permitted as related with aligning postsecondary CTE programs with high school CTE curriculum).
- Disseminate or make available any new courses to interested schools and public postsecondary educational institutions statewide.

Measures and Outcomes

- Track the participation of middle school and high school pupils and college students in articulated courses developed to meet requirements for UC and CSU admission and align with high-priority industry sectors.
- Validate, or establish and validate, reliable and stable measures of pupil readiness for postsecondary education and career.

Permissible Activities for SB 1402

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:

- 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.
- Development of instructional packages focusing on the technical skill specific to emerging or changing occupations in targeted industry sectors and industry clusters.
- 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.
- Faculty mentorships, faculty and staff development, in-service training, and worksite experience supporting the new curriculum and instructional modes responding to identified regional needs.

- 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.
- 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.
- 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.
- 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.

Permissible Activities for Perkins IV Title 1-B

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 (CTE Teachers, faculty, administrators, and career guidance and academic counselors)

- Curriculum development; model curriculum development
- Teachers meeting certificate of licensure requirements
- Increasing academic knowledge & understanding of industry standards
- Knowledge and skills needed to work with special populations

In-Service or Pre-Service Training

- Support for CTE teachers, faculty, administrators, and counselors

Special Populations and Non-Traditional Populations

- Exposing students to non-traditional fields in current and emerging professions in high-skill, high-wage occupations.
- Supporting programs for special populations that lead to CTE high-skill, high-wage, or high-demand occupations.

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 (EWDP)

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.
 - (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.

Allowability of General Costs

There are permissible activities within Senate Bill 1070, Senate Bill 1402, and Perkins IV Title 1-B (as seen above). In addition there are criteria for what can be funded while doing those activities. The following table is a synopsis of rules to determining allowability of costs. The rules in their entirety can be found in (Title 2 Code of Federal Regulations (2 CFR Parts 215 and 220)

http://www.whitehouse.gov/sites/default/files/omb/fedreg/2005/083105_a21.pdf

The following table is an easy reference synopsis of allowability of general costs. As stated above in the permissive section, just because a cost is allowable via 2 CFR 215-220, the intent of the RFA must be followed, the cost must be necessary, reasonable, allocable and not supplanting, and any additional cost restrictions listed in the RFA would supersede allowable costs within this document.

Allowability of General Costs

Allowable	Allowable With Prior Approval	Unallowable
Advertising and Public Relations ¹		Advertising and Public Relations ¹
Advisory Councils (<i>if the RFA requires or allows Advisory Councils</i>)		
		Alcoholic Beverages
		Alumni Activities
Audit Costs (<i>required by Single Audit Act</i>)		
Audit Costs (<i>if not required by Single Audit Act can be included in indirect cost rate 4% of the proposal</i>)		
		Bad Debts
		Commencement and Convocation Costs
Communication Costs (<i>telephone, telegrams, postage, messenger</i>)		
Compensation for Personnel Services (<i>salary, wages, fringe benefits</i>)		
		Contingencies
Contributions or Donations Received (<i>cash, property, services</i>)		Contributions or Donations Rendered (<i>cash, property, services</i>)
		Entertainment Costs ²
Equipment ³		Equipment ³
Fines and Penalties ⁴		Fines and Penalties ⁴
		Fund Raising and Investment Costs
		Gifts of Public funds are never allowed (<i>memorabilia, honoraria, gifts, souvenirs, etc.</i>) ⁵

Appendix D
Guidelines, Definitions and Allowable Expenditures

Allowable	Allowable With Prior Approval	Unallowable
		Goods and Services for Personal Use
Improvements ⁶		Improvements ⁶
Indirect or Administrative Expenditures (4% of total direct costs)		
		Lobbying ⁷
		Losses on Other Sponsored Agreements or Contracts
Materials & Supply Costs (only those actually used for performance of sponsored agreement)		
Meetings and Conferences ⁸		Meetings and Conferences ⁸
	Memberships ⁹	
Professional and Consultant Services		
Proposal Costs (only using 4% indirect)		
Publication and Printing Costs (must be a direct cost, indirect cost can only use the 4%)		
Maintenance & Repair Costs ¹⁰ (keeping in efficient operating condition)		Maintenance & Repair Costs ¹⁰ (construction, remodeling, increasing value)
		Student Expenses, Activities or Direct Services ¹¹
		Selling and Marketing ¹²
Travel ¹³	Out-of-State Travel ¹³	Out-of-Country Travel ¹³

¹ **Advertising and Public Relations:** The term advertising costs means the costs of advertising media and corollary administrative costs. Advertising media include magazines, newspapers, radio and television, direct mail, exhibits, electronic or computer transmittals, and the like. The term public relations includes community relations and means those activities dedicated to maintaining the image of the institution or maintaining or promoting understanding and favorable relations with the community or public at large or any segment of the public.

ALLOWABLE Advertising costs are those that are solely for: (1) The recruitment of personnel required for the performance by the institution of obligations arising under a sponsored; (2) The procurement of goods and services for the performance of a sponsored agreement; (3) The disposal of scrap or surplus materials acquired in the performance of a sponsored agreement except when non- Federal entities are reimbursed for disposal costs at a predetermined amount; or (4) Other specific purposes necessary to meet the requirements of the sponsored agreement.

ALLOWABLE Public Relations costs are those that are solely for: (1) Costs specifically required by the sponsored agreement; (2) Costs of communicating with the public and press pertaining to specific activities or accomplishments which result from performance of sponsored agreements (these costs are considered necessary as part of the outreach effort for the sponsored agreement); or

(3) Costs of conducting general liaison with news media and government public relations officers, to the extent that such activities are limited to communication and liaison necessary keep the public informed on matters of public concern, such as notices of Federal contract/grant awards, financial matters, etc.

UNALLOWABLE: Advertising and public relations costs include the following: (1) All advertising and public relations cost unless specified as allowable above; (2) Costs of meetings, conventions, convocations, or other events related to other activities of the institution, including: (a) Costs of displays, demonstrations, and exhibits; (b) Costs of meeting rooms, hospitality suites, and other special facilities used in conjunction with shows and other special events; and (c) Salaries and wages of employees engaged in setting up and displaying exhibits, making demonstrations, and providing briefings; (3) Costs of promotional items and memorabilia, including models, gifts, and souvenirs; (4) Costs of advertising and public relations designed solely to promote the institution.

² **Entertainment Costs:** Costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities) are unallowable.

³ **Equipment:** Equipment means article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost which equals or exceeds the lesser of the capitalization level established by the institution for financial statement purpose, or \$5,000. Any equipment requested within the SB 1070 CTE Pathways Program Grant will be closely scrutinized to determine purchases meet the intent of the funding and show long-term sustainability.

General Purpose Equipment – General purpose equipment furnishings, modular offices, telephone,

networks, information technology equipment systems, air conditioning equipment, reproduction and printing equipment, motor vehicles, etc. are unallowable unless the awarding agency approves them in advance. The Chancellor's Office considers general purpose equipment and furnishings to be the responsibility of the local education agency and as such it will not approve such expenditures.

⁴ **Fines and Penalties:** Costs resulting from violations of, or failure of the institution to comply with, Federal, State, and local or foreign laws and regulations are unallowable, except when incurred as a result of compliance with specific provisions of the sponsored agreement, or instructions in writing from the authorized official of the sponsoring agency authorizing in advance such payments.

⁵ **Gifts of Public Funds:** If it looks like a gift it is. You are not allowed to purchase pencils, pens, mouse pads, t-shirts, etc. and give them out (under the marketing banner). This would still be considered a gift of public funds. Awards and honorarium would also be considered a gift of public funds and not allowed.

⁶ **Improvements:** Improvements for land, buildings, or equipment which materially increases their value or useful life are unallowable as a direct cost except with the prior approval of the awarding agency. The Chancellor's Office will not approve improvements for land, building, or equipment with the following exception: If a piece of equipment has been approved for purchase and that piece of equipment has some building modification required in order to make it usable for the purpose for which it was acquired (upgraded plug/wiring etc.) then that improvement to the building is allowed.

⁷ **Lobbying:** Lobbying is never allowed unless it meets the following criteria: (1) Technical and factual presentations on topics directly related to the performance of a grant, contract, or other agreement (through hearing testimony, statements, or letters to the Congress or a State legislature, or subdivision, member, or cognizant staff member thereof), in response to a documented request (including a Congressional Record notice requesting testimony or statements for the record at a regularly scheduled hearing) made by the recipient member, legislative body or subdivision, or a cognizant staff member thereof, provided such information is readily obtainable and can be readily

put in deliverable form, and further provided that costs under this section for travel, lodging or meals are unallowable unless incurred to offer testimony at a regularly scheduled Congressional hearing pursuant to a written request for such presentation made by the Chairman or Ranking Minority Member of the Committee or Subcommittee conducting such hearings.

- ⁸ **Meetings and Conferences:** Costs of meetings and conferences, the primary purpose of which is the dissemination of technical information, are allowable. This includes costs of meals, transportation, rental of facilities, speakers' fees, and other items incidental to such meetings or conferences. Be aware not to cross over into entertainment costs.

NOTE: Food is only allowed at meetings that require a working breakfast, lunch or dinner and disseminate technical information to participants. The meeting must have an agenda that shows a working meal; must have a sign-in sheet for participants; and cannot go over the district's per diem guidelines for food purchases. The Chancellor's Office is not allowing the cost of food be charged for outreach and/or student events.

- ⁹ **Memberships:** OMB only allows institutional memberships (not individual memberships), the CCCC Budget and Accounting Manual allows individual memberships that are required within a job description. The CTE Pathways program grant is regional in its function and therefore if the Project Director requests any (individual, institutional, or regional) membership costs the application must justify why the regional workplan cannot be accomplished without paying for such membership(s). Business, technical and professional organization or periodical memberships are allowed. Civic or community, or country club or social or dining club memberships are not allowed.

- ¹⁰ **Maintenance and Repairs:** Activities such as construction and remodeling, which increase the value of an asset or appreciably extend its useful life, are not allowed unless authorized by the funding source.

None of the current funding sources SB 1070, SB 1402, or Perkins IV authorized this type of expense. Maintenance of equipment which neither adds to the permanent value of the property nor appreciably prolongs its intended life, but keeps it in an efficient operating condition is allowable.

- ¹¹ **Student Expenses, Activities or Direct Services:** All forms of student aid are allowable only when the purpose of the sponsored agreement is to provide training to selected participants and the charge is approved by the sponsoring agency. SB 1070 does not specify providing training to select participants so no student expenses or direct services to students is allowed per this funding. Cost incurred for intramural activities, student publications, student clubs, and other student activities are unallowable.

- ¹² **Selling and marketing:** Cost of selling and marketing any products or services of the institution are unallowable unless the agreement requires this activity or if it is an allowable under public relations costs (see #1 above).

- ¹³ **Travel:** Only travel necessary for the project is allowed. Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business for the grant. Such costs (via Legal Article II attached to the application) will be based the fiscal agent's per diem rates. These costs shall be considered reasonable and allowable only to the extent such costs do not exceed charges normally allowed by the institution in its regular operations as the result of the institution's written travel policy.

OUT-OF-STATE TRAVEL: Out-of-State travel will be closely scrutinized and requires completion of the Out-of-State Travel Request Form found within Appendix C of the application and must be disclosed on the Budget Detail sheet. After the application is fully executed, any further Out-of-State travel requires prior approval of the Project Monitor by sending in the above-mentioned form for approval. The state reserves the right to limit Out-of-State travel.

OUT-OF-COUNTRY TRAVEL: The Chancellor's Office has determined that Out-of-Country travel will not be an allowed via this funding source.