



California Community Colleges

Perkins V Project Director's Handbook

Prepared By

California Community Colleges Chancellor's Office

Workforce and Economic Development Division

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The Chancellor's Office Perkins V Project Director's Handbook

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I. Introduction

This handbook is designed to serve as a guide for Project Directors responsible for administering the Strengthening Career and Technical Education for the 21st Century Act (Perkins V) grant at California Community Colleges. The California Community Colleges Chancellor's Office (Chancellor's Office) has undertaken the development of this handbook to provide Project Directors with the requirements under Perkins V and how the Chancellor's Office administers this federal program.

New and incumbent Project Directors should familiarize themselves with this handbook, as it is a useful tool to understand the landscape of Perkins and federal education grants management. The handbook sets forth a clear road map through both the programmatic and administrative requirements.

First, the handbook provides an introduction to the Perkins V Act and a list of common acronyms and definitions that all Program Directors should know. The handbook includes how Perkins V is implemented by the Chancellor's Office and the community college districts. To give Project Directors a full picture of how the Chancellor's Office implements Perkins V, the handbook outlines the organizational structure of the Chancellor's Office of Workforce and Economic Development (WEDD); the responsibilities of the Chancellor's Office; how the Chancellor's Office calculates the amount to be awarded to each community college district; and how funds are used at the State level.

The handbook also includes the requirements for local uses of Perkins V funds. The handbook covers how community college districts submit local applications, what accountability measures, and expected levels of performance they must meet. It also includes information on how the Chancellor's Office reviews applications and determines that community college district expenditures are aligned with approved budgets.

The handbook contains the fiscal requirements, including internal controls and grants management standards and practices, that the community college district is required to use to ensure that all Perkins V funds are lawfully expended. It incorporates the basic cost principles according to the Uniform Grants Guidance (UGG) and the Education Department General Administrative Regulations (EDGAR), including requirements related to cash management, period of availability of funds, carryover of funds, allowable and unallowable costs, travel, procurement, inventory management, record retention, and time and effort reporting.

Any unidentified references to sections within a statute should be construed to be in the Perkins V statute.

This handbook is an organic document that will be periodically reviewed and updated for any new federal or State requirements. State and Federal rules change regularly, and the procedures for compliance will need to change in response.

Legal Disclaimer Statement

The Perkins V Project Director's Handbook is intended solely to be a resource tool for statewide stakeholders, serving as a guide to assist Project Directors in better understanding the Perkins V program's purposes and key components. Nothing contained in this handbook should be construed as legal guidance or relied on as a legal opinion of the Chancellor's Office. Community College Districts shall be responsible for ensuring compliance with applicable state and federal laws and should consult with local counsel for legal guidance.

Non-Discrimination Statement

In accordance with applicable Federal and State law, neither the California Community Colleges Chancellor's Office nor the Board of Governors of the California Community Colleges, discriminate on the basis of race, religion, color, citizenship, national or ethnic origin, ancestry, sex (including pregnancy, childbirth, lactation or related medical conditions), gender, gender identity, gender expression, gender transition, sexual orientation, physical or mental disability, medical condition or genetic characteristics, predisposing genetic information (including family medical history), marital status, age, or veteran or military status.

Office of Civil Right Compliance Statement

Perkins V Sub-recipients will comply with, and conduct Perkins funded activities in accordance with: (1) Title VI of the Civil Rights Act of 1964, (2) Title IX of the Education Amendments of 1972 and the Final Rule of April 2024, (3) Section 504 of the Rehabilitation Act of 1973, (4) the Age Discrimination act of 1975, (5) the Americans with Disabilities Act of 1992 updated in 2010 and as amended, and (6) the U.S. Office for Civil Rights' Guidelines for Eliminating Discrimination and Denial of Services in Vocational and Technical Education on the Basis of Race, Color, National Origin, Sex and Handicap. If selected for a Civil Rights Compliance Review, College/district recipients agree to follow the MOA rules and regulations. ([CO MOA Handout](#))¹

¹ Please note, this may change and is pending California Department of Education's forthcoming directive.

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II. Meet the Chancellor's Office, Vice Chancellor of Workforce and Economic Development (WED)

(A) Message from the Vice Chancellor (View on website [here.](#))

(B) WED Division (View on website [here.](#))

(C) Regional Monitor Assignments (View on website [here.](#))

(D) California Community Colleges Map (View [here.](#))



III. Acronyms and Definitions

Acronyms

CAR Consolidated Annual Report

The Chancellor's Office California Community Colleges Chancellor's Office

CFR Code of Federal Regulations

CTE	Career and Technical Education
ED	United States Department of Education
EDGAR	Education Department General Administrative Regulations
FSR	Financial Status Report
OIG	United States Department of Education's Office of the Inspector General
OCTAE	United States Department of Education's Office of Career Technical and Adult Education
UGG	Uniform Grant Guidance

Definitions

Activity: A specific course of action to achieve one or more of the objectives of a project at the time specified.

Administration: When used with respect to an eligible agency or eligible recipient *[both defined below]* means activities necessary for the proper and efficient performance of the eligible agency or eligible recipient's duties under this Act, including the supervision of such activities. Such term does not include curriculum development activities, personnel development, or research activities. (Section 3(1))

Capital Assets: Tangible or intangible assets used in operations having a useful life of more than one year which are capitalized in accordance with GAAP. Capital assets include:

- Land, buildings (facilities), equipment, and intellectual property (including software) whether acquired by purchase, construction, manufacture, lease-purchase, exchange, or a lease accounted for as a financed purchase under Government Accounting Standards Board (GASB) standards or a finance lease under Financial Accounting Standards Board (FASB) standards; and
- Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life (not ordinary repairs and maintenance).
(2 C.F.R. § 200.1)

Career and Technical Education (CTE): Organized educational activities that—

(A) offer a sequence of courses that—

- (i) provides individuals with rigorous academic content and relevant technical knowledge and skills needed to prepare for further education and careers in current or emerging professions, which may include high-skill, high-wage,

or in- demand industry sectors or occupations*, which shall be, at the secondary level, aligned with the challenging State academic standards adopted by a State under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965;

(ii) provides technical skill proficiency or a recognized postsecondary credential, which may include an industry-recognized credential, a certificate, or an associate degree; and

(iii) may include prerequisite courses (other than a remedial course) that meet the requirements of this subparagraph;

(B) include competency-based, work-based, or other applied learning that supports the development of academic knowledge, higher-order reasoning and problem-solving skills, work attitudes, employability skills, technical skills, and occupation-specific skills, and knowledge of all aspects of an industry, including entrepreneurship, of an individual;

(C) to the extent practicable, coordinate between secondary and postsecondary education programs through [Perkins] Programs of Study, which may include coordination through articulation agreements, early college high school programs, dual or concurrent enrollment program opportunities, or other credit transfer agreements that provide postsecondary credit or advanced standing; and

(D) may include career exploration at the high school level or as early as the middle grades (as such term is defined in section 8101 of the Elementary and Secondary Education Act of 1965.

(Section 3(5))

*See the [State Plan](#) for more information.

Computing Devices: Machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or “peripherals”) for printing, transmitting and receiving, or storing electronic information. (2 C.F.R. § 200.1)

Consortium: Two eligible community college districts collaboratively offering career and technical education and services. Consortia shall demonstrate how the programs offered through the partnership are mutually beneficial to all members within the partnership and agree that funds are used only for programs authorized under Perkins V. Each member institution in a consortium shall meet the standard of Size, Scope, and Quality on its own. Funds may not be reallocated to individual members of the consortium for purposes or programs benefiting only one member of the consortium. No community college district may receive an amount of less than \$50,000; therefore, a community

college district may form or join a consortium to ensure the total allocation exceeds the minimum allocation of \$50,000.

Credit Transfer Agreement: A formal agreement, such as an articulation agreement, among and between secondary and postsecondary education institutions or systems that grant students transcribed postsecondary credit, which may include credit granted to students in dual or concurrent enrollment programs or early college high school, dual credit, articulated credit, and credit granted on the basis of performance on technical or academic assessments. (Section 3(11)).

Core Indicators of Performance: Perkins V defines the new Core Indicators of Performance as:

- **Postsecondary Retention and Placement (1P1)**
The percentage of CTE concentrators who, during the second quarter after program completion, remain enrolled in postsecondary education, are in advanced training, military service, or a service program that receives assistance under title I of the National and Community Service Act of 1990 (42 U.S.C. 12511 et seq.), are volunteers as described in section 5(a) of the Peace Corps Act (22 U.S.C. 2504(a)), or are placed or retained in employment.
- **Earned Recognized Postsecondary Credential (2P1)**
The percentage of CTE concentrators who receive a recognized postsecondary credential during participation in or within 1 year of program completion. A recognized postsecondary credential is defined in the Workforce Innovation and Opportunities Act (WIOA) as “A credential consisting of an industry-recognized certificate or certification, a certificate of completion of an apprenticeship, a license recognized by the State or Federal Government, or an associate or baccalaureate degree.”
- **Non-traditional Program Enrollment (3P1)**
The percentage of CTE concentrators in career and technical education programs and programs of study that lead to non-traditional fields. (Sec. 113 (2B)).

CTE Concentrator: At the postsecondary level, a student enrolled in an eligible recipient who has—

- (i) earned at least 12 credits within a career and technical education program or [Perkins] Program of Study; or
- (ii) completed such a program if the program encompasses fewer than 12 credits or the equivalent in total. (Section 3(12))

CTE Participant: An individual who completes not less than one course in a career and technical education program or [Perkins] Program of Study of an eligible recipient. (Section 3(13))

Dual or Concurrent Enrollment Program: Has the meaning given in section 8101 of the Elementary and Secondary Education Act of 1965, which is—

A program offered by a partnership between at least one institution of higher education and at least one local educational agency through which a secondary school student who has not graduated from high school with a regular high school diploma is able to enroll in one or more postsecondary courses and earn postsecondary credit that—

- (A) is transferable to the institutions of higher education in the partnership; and
- (B) applies toward completion of a degree or recognized educational credential as described in the Higher Education Act of 1965. (Section 3(15))

Economically Disadvantaged: individuals who participate in any of the following economic assistance programs—

- (a.) Pell Grant
- (b.) Community College Promise Program (CCPG)
- (c.) CalWORKs
- (d.) Educational Opportunity Program (EOP);
- (e.) Bureau of Indian Affairs Higher Education Grant Program (BIA)
- (f.) TANF Funded Services and Assistance
- (g.) Social Security Insurance
- (h.) Women, Infants, and Children (WIC)
- (i.) Other public assistance programs serving the economically disadvantaged, such as: Food Stamps, Home Energy Assistance Payments (HEAP), Supplemental Security Income, Trade Readjustment Act, and Refugee and Immigration Affairs Assistance.

Eligible Agency: A State board designated or created consistently with State law as the sole State agency responsible for the administration of career and technical education in the State or for the supervision of the administration of career and technical education in the State. (Section 3(18))

Eligible Recipient:

- (A) A local educational agency (including a public charter school that operates as a local educational agency), an area career and technical education school, an educational service agency, an Indian Tribe, Tribal organization, or Tribal educational agency or a consortium, eligible to receive assistance under section 131; or
- (B) an eligible institution [including California community college districts] or consortium of eligible institutions eligible to receive assistance under section 132. (Section 3(21))

*For the purposes of this handbook, the term “eligible recipient” refers to California community college districts only and does not include secondary schools.

English Learner:

- (A) A secondary school student who is an English learner, as defined in section 8101 of the Elementary and Secondary Education Act of 1965; or
- (B) an adult or an out-of-school youth who has limited ability in speaking, reading, writing, or understanding the English language and—
 - (i) whose native language is a language other than English; or
 - (ii) who lives in a family environment or community in which a language other than English is the dominant language.

(Section 3(22))

Equipment: Tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost that equals or exceeds the lesser of the capitalization level established by the community college district for financial statement purposes or \$10,000. (2 C.F.R. § 200.1)

In-Demand Industry Sector or Occupation: Has the meaning given in section 3 of the Workforce Innovation and Opportunity Act, which is—

- (i) an industry sector that has a substantial current or potential impact (including through jobs that lead to economic self-sufficiency and opportunities for advancement) on the state, regional, or local economy, as appropriate, and that contributes to the growth or stability of other supporting businesses, or the growth of other industry sectors; or
 - (ii) an occupation that currently has or is projected to have a number of positions (including positions that lead to economic self-sufficiency and opportunities for advancement) in an industry sector so as to have a significant impact on the state, regional, or local economy, as appropriate.
- (B) The determination of whether an industry sector or occupation is in-demand under this paragraph shall be made by the State board or local board, as appropriate, using State and regional business and labor market projections, including the use of labor market information. (29 U.S.C. 3102)

Institution of Higher Education: Has the meaning given in section 101 of the Higher Education Act of 1965, which is—

An educational institution in any State that—

- (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, or persons who meet the requirements of section 1091(d) of the Higher Education Act of 1965;

- (2) is legally authorized within such State to provide a program of education beyond secondary education;
- (3) provides an educational program for which the institution awards a bachelor's degree or provides not less than a 2-year program that is acceptable for full credit toward such a degree, or awards a degree that is acceptable for admission to a graduate or professional degree program, subject to review and approval by the Secretary;
- (4) is a public or other nonprofit institution; and
- (5) is accredited by a nationally recognized accrediting agency or association, or if not so accredited, is an institution that has been granted pre-accreditation status by such an agency or association that has been recognized by the Secretary for the granting of pre-accreditation status, and the Secretary has determined that there is satisfactory assurance that the institution will meet the accreditation standards of such an agency or association within a reasonable time. (20 U.S.C. 1001)

Local Workforce Development Board: A local workforce development board established under Section 107 of the Workforce Innovation and Opportunity Act. (29 U.S.C. 3122)

Non-Traditional Fields: Occupations or fields of work, such as careers in computer science, technology, and other current and emerging high-skill occupations, for which individuals from one gender comprise less than 25 percent of the individuals employed in each such occupation or field of work. (Section 3(33))

Out-of-Workforce Individual:

- (A) An individual who is a displaced homemaker, as defined in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102); or
- (B) an individual who—
 - (i) (I) has worked primarily without remuneration to care for a home and family, and for that reason has diminished marketable skills; or
(II) is a parent whose youngest dependent child will become ineligible to receive assistance under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) not later than 2 years after the date on which the parent applies for assistance under such title; and
 - (ii) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

(Section 3(33))

Pass-through: A recipient or subrecipient that provides a subaward to a subrecipient (including lower tier subrecipients) to carry out part of a federal program. The authority of the pass-through entity under this part flows through the subaward agreement between

the pass-through entity and subrecipient. (2 C.F.R. § 200.1). In the case of Perkins V, the State is the pass-through entity, since the funds are passed through to the community college districts.

Postsecondary Educational Institution:

- (A) An institution of higher education that provides not less than a 2-year program of instruction that is acceptable for credit toward a bachelor's degree;
- (B) a tribally controlled college or university; or
- (C) a nonprofit educational institution offering certificates or other skilled training programs at the postsecondary level.

(Section 3(39))

Professional Development: Activities that—

- (A) are an integral part of eligible agency, eligible recipient, institution, or school strategies for providing educators (including teachers, principals, other school leaders, administrators, specialized instructional support personnel, career guidance and academic counselors, and paraprofessionals) with the knowledge and skills necessary to enable students to succeed in career and technical education, to meet challenging State academic standards under section 1111(b)(1) of the Elementary and Secondary Education Act, or to achieve academic skills at the postsecondary levels; and
- (B) are sustained (not stand-alone, 1-day, or short-term workshops), intensive, collaborative, job-embedded, data-driven, and classroom-focused, to the extent practicable evidence-based, and may include activities that—
 - (i) improve and increase educators'—
 - (A) knowledge of the academic and technical subjects;
 - (II) understanding of how students learn; and
 - (III) ability to analyze student work and achievement from multiple sources, including how to adjust instructional strategies, assessments, and materials based on such assessments, and materials based on such analysis;
 - (ii) are an integral part of eligible recipients' improvement plans;
 - (iii) allow personalized plans for each educator to address the educator's specific needs identified in observation or other feedback;
 - (iv) support the recruitment, hiring, and training of effective educators, including educators who became certified through State and local alternative routes to certification;
 - (v) advance educator understanding of—

- (I) effective instructional strategies that are evidence-based; and
- (II) strategies for improving student academic and technical achievement or substantially increasing the knowledge and teaching skills of educators;
- (vi) are developed with extensive participation of educators, parents, students, and representatives of Indian Tribes (as applicable), of schools and institutions served under this Act;
- (vii) are designed to give educators of students who are English learners in career and technical education programs or [Perkins] Programs of Study the knowledge and skills to provide instruction and appropriate language and academic support services to those students, including the appropriate use of curricula and assessments;
- (viii) as a whole, are regularly evaluated for their impact on increased educator effectiveness and improved student academic and technical achievement, with the findings of the evaluation used to improve the quality of professional development;
- (ix) are designed to give educators of individuals with disabilities in career and technical education programs or [Perkins] Programs of Study the knowledge and skills to provide instruction and academic support services to those individuals, including positive behavioral interventions and supports, multi-tier system of supports, and use of accommodations;
- (x) include instruction in the use of data and assessments to inform and instruct classroom practice;
- (xi) include instruction in ways that educators may work more effectively with parents and families;
- (xii) provide follow-up training to educators who have participated in activities described in this paragraph that are designed to ensure that the knowledge and skills learned by the educators are implemented in the classroom;
- (xiii) promote the integration of academic knowledge and skills and relevant technical knowledge and skills, including programming jointly delivered to academic and career and technical education teachers; or
- (xiv) increase the ability of educators providing career and technical education instruction to stay current with industry standards.

(Section 3(40))

Program of Study: A coordinated, nonduplicative sequence of academic and technical content at the secondary and postsecondary level that—

- (A) incorporates challenging State academic standards, including those adopted by a State under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965;
- (B) addresses both academic and technical knowledge and skills, including employability skills;
- (C) is aligned with the needs of industries in the economy of the state, region, Tribal community, or local area;
- (D) progresses in specificity (beginning with all aspects of an industry or career cluster and leading to more occupation-specific instruction);
- (E) has multiple entry and exit points that incorporate credentialing; and
- (F) culminates in the attainment of a recognized postsecondary credential.

(Section 3(41))

Recognized Postsecondary Credential: Has the meaning given in section 3 of the Workforce Innovation and Opportunity Act, which is—

A credential consisting of an industry-recognized certificate or certification, a certificate of completion of an apprenticeship, a license recognized by the State involved or federal government, or an associate or baccalaureate degree. (29 U.S.C. 3102)

Special Populations:

- (A) individuals with disabilities;
- (B) individuals from economically disadvantaged families, including low-income youth and adults;
- (C) individuals preparing for non-traditional fields;
- (D) single parents, including single pregnant women;
- (E) out-of-workforce individuals;
- (F) English learners;
- (G) homeless individuals described in section 725 of the McKinney-Vento Homeless Assistance Act ([42 U.S.C. 11434a\(2\)](#));
- (H) youth who are in, or have aged out of, the foster care system; and
- (I) youth with a parent who—
 - (i) is a member of the armed forces (as such term is defined in section 101(a)(4) of title 10, United States Code); and
 - (ii) is on active duty (as such term is defined in section 101(d)(1) of such title.

(Section 3(48))

Subaward (sometimes referred to as a subgrant): An award provided by a pass-through entity to a subrecipient for the subrecipient to contribute to the goals and objectives of the project by carrying out part of a federal award received by the pass-through entity. It

does not include payments to a contractor, beneficiary, or participant. A subaward may be provided through any form of legal agreement consistent with the criteria in § 200.331, including an agreement that the pass-through entity considers a contract. (2 C.F.R. § 200.1)

Subrecipient: an entity that receives a subaward from a pass-through entity to carry out part of a federal award. The term subrecipient does not include a beneficiary or participant. A subrecipient may also be a recipient of other Federal awards directly from a federal agency. (2 C.F.R. § 200.1) In the case of Perkins V, the State is the initial recipient, and the community college districts are subrecipients.

Supplies: All tangible personal property other than Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the community college district for financial statement purposes or \$10,000, regardless of the length of its useful life. (2 C.F.R. § 200.1)

Work-based Learning: Sustained interactions with industry or community professionals in real workplace settings, to the extent practicable, or simulated environments at an educational institution that foster in-depth, firsthand engagement with the tasks required in a given career field, that are aligned to curriculum and instruction. (Section 3(55))

IV. Introduction to Perkins V

a. Purpose of Perkins V

The goal of Perkins V is to enhance the quality of career and technical education (CTE) programs that prepare students for success in further education and careers. The stated purpose is “to develop more fully the academic and CTE skills of secondary and postsecondary education students who elect to enroll in CTE 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-skill, high-wage, or in-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 that 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 and programs of study, services, and activities;
- (5) providing technical assistance that—
 - (A) promotes leadership, initial preparation, and professional development at the State and local levels; and
 - (B) 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; and
- (8) increasing the employment opportunities for populations who are chronically unemployed or underemployed, including individuals with disabilities, individuals from economically disadvantaged families, out-of-workforce individuals, youth who are in, or have aged out of, the foster care system, and homeless individuals.” Perkins V Section 2.

b. The Eligible Agency and Recipients in California

Federal Perkins funds are allocated to an eligible agency within each state, which in turn distributes the funds to the eligible recipients within the state.

The California Department of Education (CDE) is the eligible agency in California that receives the direct grant from the United States Department of Education (ED) Office of Career, Technical, and Adult Education (OCTAE). However, CDE collaborates with the Chancellor’s Office to administer CTE programs. While CDE is the state regulatory agency for the K-12 education system, the Chancellor’s Office is the state regulatory agency for the community college districts. Each entity has a policymaking body: the State Board of Education and the Chancellor’s Office Board of Governors.

To foster collaboration between the entities, California implemented the California Workforce Pathways Joint Advisory Committee (CWPJAC), an advisory body that is co-chaired by representatives from CDE and the Chancellor’s Office. CWPJAC advises on CTE policies, encourages collaboration, and helps to implement the [California State Plan for Career and Technical Education](#). As described in this plan, CDE and the Chancellor’s Office established four key priorities for California’s CTE programs:

- (1) Supply that Meets Demand
- (2) Effective Delivery and Support
- (3) Data that Informs Investments
- (4) Systems Alignment

These entities work collaboratively to manage these priorities and ensure that academic, technical, and workplace-readiness skills meet the needs of the students and industries. Businesses throughout the State are in partnership with both agencies to ensure that secondary and post-secondary graduates meet the needs of businesses and industries. CDE and the Chancellor's Office administer funds to eligible recipients, community college districts for the purposes of this handbook, the term "eligible recipient" refers to the 72 community college districts only. As the eligible recipient under Perkins V, the community college districts are responsible for meeting all Perkins requirements.

c. The Chancellor's Office Offices Responsible for Perkins V

The Workforce and Economic Development Division (WEDD) within the Chancellor's Office is primarily responsible for the administration and supervision of the Perkins V grant award. WEDD is made up of eight programs: the Apprenticeship Program, Adult Education Program, Economic and Workforce Development Program, Nursing and Allied Health Program, Perkins Program, Strong Workforce Program, K12 Strong Workforce Program, and Special Projects. A Vice Chancellor oversees WEDD, and each program is headed by a Dean of Workforce and Economic Development.

[Contacts for WEDD are found here.](#)

Although WEDD is primarily responsible for the administration of Perkins V, other offices within the Chancellor's Office may contribute to or support the administration of Perkins V. The Educational Services and Support Division is responsible for curriculum review. For CTE, the division reviews and approves courses, degrees, and certificates to ensure they meet requirements. The division also provides guidance on high-quality programs. Additionally, the Research, Analytics, and Data Unit collects data and measures student outcomes and performance. The unit can help community college districts make better evidence-based decisions and drive continuous improvement to meet goals. For CTE, the unit helps community college districts with reviewing employment outcomes and labor market alignment.

[Contact information for each division can be found here.](#)

V. Perkins V State Plan

In order to receive Perkins V funds, CDE, in collaboration with the Chancellor's Office, is required to submit to the Secretary of Education a detailed four-year plan describing how

it intends to spend Perkins V funds. CDE and the Chancellor's Office developed and submitted the [Federal Perkins V State Plan](#) in 2024. That plan aligns with the requirements in section 122 of Perkins V, and revisions are submitted as needed.

The State Plan is developed with input from a specific list of stakeholders identified in Sections 122(c)(1):

- i. representatives of secondary and postsecondary career and technical education programs, including eligible recipients and representatives of 2-year minority-serving institutions and historically Black colleges and universities and tribally controlled colleges or universities in States where such institutions are in existence, adult career and technical education providers, and charter school representatives in States where such schools are in existence, which shall include teachers, faculty, school leaders, specialized instructional support personnel, career and academic guidance counselors, and paraprofessionals;
- ii. interested community representatives, including parents, students, and community organizations;
- iii. representatives of the State workforce development board established under section 101 of the Workforce Innovation and Opportunity Act ([29 U.S.C. 3111](#));
- iv. members and representatives of special populations;
- v. representatives of business and industry (including representatives of small business), which shall include representatives of industry and sector partnerships in the State, as appropriate, and representatives of labor organizations in the State;
- vi. representatives of agencies serving out-of-school youth, homeless children and youth, and at-risk youth, including the State Coordinator for Education of Homeless Children and Youths established or designated under section 722(d)(3) of the McKinney-Vento Homeless Assistance Act ([42 U.S.C. 11432\(d\)\(3\)](#));
- vii. representatives of Indian Tribes and Tribal organizations located in, or providing services in, the State; and
- viii. individuals with disabilities.

The Governor's office must also be consulted, and the public must have a chance to comment on the plan.

When that plan expires, the statute allows for the submission of either a new four-year plan or annual revisions to the State determined levels of performance (SDLPs), which are described in a later section in this handbook.

VI. Perkins V Alignment with Vision 2030

In July 2023, the Chancellor's Office presented to the Board of Governors (BOG) Vision 2030: A Roadmap for California Community Colleges. It was a call to action for all 116 community colleges to lead with equity and excellence, act with urgency, and serve as a force for economic mobility, environmental stewardship, and community resilience. Vision 2030 is a collaborative action plan that provides focus, equity, and direction to our community colleges. It guides field practice, removes barriers, fosters policy reform, and supports college implementation. And it responds to technological and environmental changes facing our community while holistically addressing the needs of colleges and students. The Chancellor's Office issued an updated edition of Vision 2030 in 2025.

The alignment of Perkins V, Vision 2030, and the [Master Plan for Career Education](#) is like building a modern, universally accessible highway system. Perkins V provides the federal mandate and funding for constructing the core career education infrastructure (CTE), specifying the necessary components like high-quality standards and connections between secondary and postsecondary roads. Vision 2030 sets the destination and guiding principles, emphasizing that the highway must be equitable, reach all communities, and lead to well-paying job centers. Finally, the Master Plan for Career Education serves as the detailed blueprint and coordination document, outlining the specific actions (like building transfer ramps, setting up clear signage, and ensuring rest stops provide essential services) needed to make the highway seamless, modern, and accessible for every traveler (learner).

As a plan for action, the Perkins V Program continuously aligns the core indicators of performance with the Chancellor's Office Vision 2030 in the following ways:

- Within the Comprehensive Local Needs Assessment;
- Within the local application process guidance;
- Through technical support;
- And offering resources via the [Strengthening Career and Technical Education for the 21st Century Act \(Perkins V\)](#) website.

VII. District Local Applications

a. District Local Application Updates

In order for a community college district to be allocated Perkins V grant funds, the community college district must submit an updated annual local application to the Chancellor's Office for approval through the NOVA system. Generally, the application opens in NOVA in March and is due by the end of May. Each community

college district must confirm at least one Perkins project director as a primary NOVA Perkins Application role. However, the district may grant access to more than one person to amend, edit, and add contents to the application. Applications must be reviewed and substantially approved/approved by July 1. [More resources from the Chancellor's Office on submitting the application can be found here.](#)

The local application describes how a community college district's CTE programs will be carried out with Perkins V grant funds. The application shows that the community college district will ensure that its CTE offerings are aligned with local economic and educational needs, that the offerings are of high quality and equally accessible to all students, including members of special populations, and that the offerings comprehensively prepare students for high-skill, high-wage or in-demand occupations. The specific topics that the application must address are described in more detail below.

Section 134(b) requires the local application to contain:

1. A description of the results of the most recent comprehensive local needs assessment, which is discussed below;
2. Information on the CTE course offerings and activities that the eligible recipient will provide with funds under this part, which shall include not less than 1 program of study approved by a State under section 124(b)(2), including—
 - a. how the results of the comprehensive needs assessment described in subsection (c) informed the selection of the specific career and technical education programs and activities selected to be funded;
 - b. a description of any new programs of study the eligible recipient will develop and submit to the State for approval; and
 - c. how students, including students who are members of special populations, will learn about their school's career and technical education course offerings and whether each course is part of a career and technical education program of study;
3. A description of how the eligible recipient, in collaboration with local workforce development boards and other local workforce agencies, one-stop delivery systems described in section 121(e)(2) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3151(e)(2)), and other partners, will provide—
 - a. career exploration and career development coursework, activities, or services;
 - b. career information on employment opportunities that incorporate the most up-to-date information on high skill, high-wage, or in-demand industry sectors or occupations, as determined by the comprehensive needs assessment described in subsection SEC.2. [20 U.S.C. 2301]

- c. an organized system of career guidance and academic counseling to students before enrolling and while participating in a career and technical education program;
4. A description of how the eligible recipient will improve the academic and technical skills of students participating in career and technical education programs by strengthening the academic and career and technical education components of such programs through the integration of coherent and rigorous content aligned with challenging academic standards and relevant career and technical education programs to ensure learning in the subjects that constitute a well-rounded education (as defined in section 8101 of the Elementary and Secondary Education Act of 1965);
5. A description of how the eligible recipient will—
 - a. provide activities to prepare special populations for high-skill, high-wage, or in-demand industry sectors or occupations that will lead to self-sufficiency;
 - b. prepare CTE participants for non-traditional fields;
 - c. provide equal access for special populations to career and technical education courses, programs, and programs of study; and
 - d. ensure that members of special populations will not be discriminated against on the basis of their status as members of special populations;
6. A description of the work-based learning opportunities that the eligible recipient will provide to students participating in career and technical education programs and how the recipient will work with representatives from employers to develop or expand work-based learning opportunities for career and technical education students, as applicable;
7. A description of how the eligible recipient will provide students participating in career and technical education programs with the opportunity to gain post-secondary credit while still attending high school, such as through dual or concurrent enrollment programs or early college high school, as practicable;
8. A description of how the eligible recipient will coordinate with the eligible agency and institutions of higher education to support the recruitment, preparation, retention, and training, including professional development, of teachers, faculty, administrators, and specialized instructional support personnel and paraprofessionals who meet applicable State certification and licensure requirements (including any requirements met through alternative routes to certification), including individuals from groups underrepresented in the teaching profession; and
9. A description of how the eligible recipient will address disparities or gaps in performance in each of the plan years, and if no meaningful progress has been achieved prior to the third program year, a description of the additional actions such recipient will take to eliminate those disparities or gaps.

An approved Perkins local applicant with an executed agreement between the community college district and the Chancellor's Office are responsible for adhering to the expenditure rules and management of Perkins funds over one fiscal year.

b. Development of District Local Applications

In developing the local application, community college districts must ensure that they meet the following requirements:

1. The application must be based in part on the results of a comprehensive local needs assessment, described below.
2. The CLNA must be completed in consultation with a specific list of local stakeholders identified in detail in Perkins V Section 134(d). Below is a condensed summary of the required groups, each of which must have at least two (2) representatives:
 - Representatives of secondary CTE programs, including teachers, counselors, administrators, and support personnel
 - Representatives of postsecondary CTE programs, including faculty and administrators
 - Representatives of the State Workforce Development Board or a Local Workforce Development Board, meaning Board members and employees of the Board
 - Representatives of a range of local/regional businesses and industries
 - Parents and secondary students
 - Postsecondary students
 - Representatives of special populations
 - Representatives of regional or local agencies serving out-of-school youth, homeless children and youth, and at-risk youth
 - Representatives of Indian Tribes and Tribal organizations within the community college district's service delivery area, where applicable
 - Other stakeholders needed to ensure a comprehensive understanding of local community and workforce needs, including (but not limited to) economic development boards, chambers of commerce, and members of the community college district's Advisory Committees

c. Content of District Local Applications

Perkins V Section 134(b) describes the required content of the local applications, organized into nine required elements that are summarized in the list below. The statute describes the elements in detail, and these descriptions were used to create a separate, detailed local application guide for the community college districts.

Required content of the local application:

1. Results of the CLNA;
2. CTE courses and programs the community college district will offer during the performance period covered by the application;
3. Career exploration and development activities and services the community college district will offer;
4. How the community college district will integrate rigorous academic content and standards into its CTE programs;
5. How the community college district will ensure equal access to quality CTE for all students, including members of special populations;
6. Work-based learning opportunities the community college district will provide to CTE students;
7. How the community college district will provide secondary students with opportunities to earn post-secondary credit while enrolled in high school (known as dual enrollment);
8. The community college district's intended practices related to the recruitment, preparation, retention, and training of faculty and staff; and
9. How the community college district will address any disparities or gaps in performance between all of its CTE concentrators, and the subgroups and populations identified in the statute.

Budget

Community college districts must submit budgets as part of the local application in NOVA. For each budget item, colleges must record the following:

- The name of the item, and the quantity;
- A justification for the item;
- The program area the item is for, and the local need the item addresses;

- The core indicator that the item helps achieve;
- The Perkins required use that the item serves;
- The type of cost (personnel, professional development, etc.);
- The percentage of the cost that will be charged to the community college district's Perkins administrative funds; and
- The cost of the item.

Budget Reviews

Budget reviews are conducted by WEDD staff members who will review the budget to make sure that:

- The budget items listed are allowable, including that the costs are necessary, reasonable, and allocable;
- The community college districts are allocating no more than 5% to administration;
- The budget amount for any of the following (personnel, equipment, supplies, travel, professional development, etc.) *must be allowable, reasonable, and allocable*
- Each budget item is targeted at a specific core indicator of performance; and
- Each of the six (6) required local uses of funds are represented by at least one item on the budget.

Application Adjustment

The recommended process for editing applications and budgets is:

- Find your district application under the “Perkins” Program, “Perkins” 1C grant, and Applications in NOVA.
- For each institution for which you wish to increase the budget, click on the associated Application section and click “Unsubmit College Forms” in the top right corner.
- Make any changes to budgets, TOP Codes, or activities as required.
- Click “Submit College Forms” for any edited institutions.
- Navigate to the “Preview and Submit” tab on the primary application and click “Submit Application” in the upper right corner.
- **Important:** Please note that fiscal reports in NOVA do not appear unless the associated Plan or Application is fully certified. Your district will not be able to edit or submit any fiscal reporting until this update is complete

Budget Adjustment

Community college districts are allowed to request amendments to their budget throughout the program year. Budget amendments can be made through NOVA, however, community college districts must follow the guidance below prior to any adjustments being made. WEDD staff members are responsible for reviewing and approving budget amendments.

- Any budget change above 10% of the total allocations will require approval from the Chancellor's Office Regional Monitor via email after initial certification. Email must include current, proposed amount, and new amount, with justification for how the change aligns with CLNA.
- Budget for equipment and/or capital outlay should be reasonable and aligned to the purpose of the project as outlined in federal regulations (2 CFR Part §200.439). Equipment and capital outlay expenditures over \$10,000 must be approved by the Chancellor's Office and purchased in accordance with local procurement policies and procedures. Email to the CO regional monitor to request approval must include current proposed amount with justification and advisory committee decision on purchasing that equipment.

Required reporting is submitted within NOVA:

Quarterly reports are due from institutions to the district the first week of the month following the end of the quarter.

Quarterly reports should be submitted to the district and include:

- Quarterly Narrative Responses to Core Indicator Progress Questions (worksheet available)
- Quarterly updates on all programs and across programs funded (activities report)
- Budget changes, including changes in funding and or changes in the scope of activities
- A quarterly general ledger uploaded in the section provided

Institutions should track quarterly activities based on the specific activities entered into the NOVA Application. Institutions are required to provide succinct bullets on activities for the quarter where work occurred.

Final Report

The structure of the final report within NOVA is focused on progress made on the Perkins V core indicators. Each program funded with Perkins must provide a

summary of outcomes and accomplishments based on its application. These program-specific final reports are held on file at the college and at the community college district.

Key Dates for Perkins Title I-C Application

Dates	Description
July 1	Perkins V Title 1-C grants become effective
July 15	Q4 Fiscal and Programmatic Report Due
September 30	Final report for FY 20XX-XX due, and last date to liquidate Perkins funds
November 1	Last day to purchase any equipment (Equipment Description, justification and amount)
March 15	Last day for Budget Modifications (Item category, amount and Justification)
April 10	Perkins V 20XX- XX Title 1-C applications open in NOVA
April 15	Q3 Fiscal and Programmatic Report Due
May 31	Perkins V application due in NOVA
June 30	Last day to expend or encumber Perkins V funds

d. Comprehensive Local Needs Assessment

Perkins V requires the completion of a comprehensive local needs assessment (CLNA) and requires community college districts to update the CLNA no less than once every two years. The CLNA process begins during the summer in odd years and must be completed the following spring.

The timeline of CLNA development and submission guidance for community college districts:

- **Year 1 of 2:**

Fall: Begin CLNA planning and processes to prepare to submit; Community college districts may begin engaging faculty, staff, and administrators, as well as required stakeholders (per consultation requirements), in local CLNA processes.

Spring: Complete CLNA process at the institution level; compile into districtwide CLNA; submit to the State with application in NOVA

- **Year 2 of 2:**

Community college districts have the option to re-evaluate the CLNA when planning for the local application submission for the upcoming fiscal year.

The results of the CLNA must inform the selection of CTE programs and activities to be funded with the community college district's Perkins allocation.

The goal of a CLNA is to help educators identify, understand, and prioritize the needs that community college districts must address to improve core indicator performance. Identifying priority needs is the first in a series of closely tied steps that also include understanding root causes that contribute to the areas of need, selecting evidence-based strategies that address those areas, preparing for and implementing selected strategies, and evaluating whether those strategies are addressing improvement needs and achieving desired results.

The CLNA is required to ensure that each eligible recipient of Perkins funds will expend those funds on CTE programs and Perkins Programs of Study that are directly aligned with the educational and economic needs of the recipient's service delivery area, and only those programs. The CLNA further includes an assessment of the disparity in performance between the CTE special populations and all CTE students. All decisions about programs, activities, and services that will be funded out of Perkins V must be supported by both data analysis (e.g., performance data, labor market data) and feedback from the stakeholders that are required when developing the local application. This means that expenditures that are not clearly connected to meeting an identified local need cannot be funded out of Perkins.

Contents of Comprehensive Local Needs Assessment

Section 134(c)(2) of the Perkins V statute describes six (6) areas to be addressed during the CLNA process, which are summarized below.

The CLNA must contain the following:

1. An evaluation of student performance regarding State determined and local levels of performance, including evaluations of performance for major racial and ethnic groups, gender, and the Perkins special populations;
2. A description of how the eligible recipient's CTE programs are of sufficient size, scope and quality, and are demonstrably aligned with local needs;
3. An evaluation of progress toward implementing CTE programs and Perkins Programs of Study;

4. A description of efforts to improve the recruitment, retention and training of CTE faculty and staff, including career and academic counselors; and
5. A description of progress toward the implementation of equal access to high-quality career and technical education for all students, including members of special populations.
6. Alignment to Labor Market Information (LMI).

[The Chancellor's Office has also created a checklist for completion of the CLNA](#)

Review and Approval of CLNA

The review and approval of CLNA are as follows:

1. CLNA and Perkins V local application are due the same day, with the CLNA only being required every other year.
2. Regional monitor confirms that district CLNA was approved by the CBO or designee and attached to the application.
3. Regional monitor confirms that a summary of the CLNA is included in the application.
4. Regional monitor verifies that district has answered all six (6) areas as required by the Perkins Act
5. Perkins monitor reviews and approves the application based on CLNA report.
6. In case there are any discrepancies or unclear responses, the regional monitor contacts the project director.

e. Review and Approval of Annual District Local Applications

The local application must be approved by the Chancellor's Office before the community college district can receive its Perkins V allocations. Each application is reviewed by a team of qualified the Chancellor's Office personnel, such as (but not limited to) staff members from WEDD.

- *Statewide program Deans, specialist leads, program monitors, and program analysts*

Note that the intent of the review and approval process is only to ensure that the application contains all the required information, and the activities and expenditures described therein are in compliance with the Perkins V statute and all other applicable federal regulations.

VIII. Spending and Reporting Guidelines

Spending Guidelines

Districts must obligate all funds by June 30. In addition, under the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) at 2 CFR § 200.344 (b), grantees must liquidate obligations within 90 days of the end of the funding period, unless an extension is approved by the Chancellor's Office. Each district is responsible for expending the full grant allocation. Perkins V funds cannot be carried into the following fiscal year.

Reporting Requirements

Fiscal and programmatic reporting is required to be submitted within the Chancellor's Office grant management system NOVA:

Reporting Deadline	Reporting Type	Activity Period
Oct. 15	Fiscal and Programmatic Report Due	July 1–Sept. 30
Jan. 15	Fiscal and Programmatic Report Due	Oct. 1–Dec. 31
April 15	Fiscal and Programmatic Report Due	Jan. 1–March 31
July 15	Fiscal and Programmatic Report Due	April 1–June 30
Sept. 30	Final Report Due	July 1–June 30

IX. Accountability Requirements

The Perkins grant requires the establishment of a performance accountability system to assess the effectiveness of the State and the eligible recipients of the State in achieving statewide progress in CTE, and to optimize the return on investment of federal funds. This section discusses how effectiveness is measured, the levels of effectiveness and how they are reached, and how effectiveness is reported to ED.

a. Core Indicators of Performance

To evaluate CTE program effectiveness, Perkins V requires States to review performance measures, called *core indicators of performance*. Section 113(b)(2)(B) requires at least the following three core indicators of performance to be identified in the State Plan:

1. The percentage of CTE concentrators who, during the second quarter after program completion, remain enrolled in postsecondary education, are in advanced training, military service, or a service program that receives assistance under title I of the National and Community Service Act of 1990 (42 U.S.C. 12511 et seq.), are volunteers as described in 22 U.S.C. 2504(a), or are placed or retained in employment.
2. The percentage of CTE concentrators who receive a recognized postsecondary credential during participation in or within 1 year of program completion.
3. The percentage of CTE concentrators in career and technical education programs and programs of study that lead to non-traditional fields.

In California, those three indicators are simplified into these titles:

- 1P1: Post-Program Placement
- 2P1: Earned Recognized Postsecondary Credential
- 3P1: Non-traditional Program Concentration

b. Levels of Performance

Each core indicator has an established level of performance at the State level and the local level, by which the core indicator is measured from year to year. Using this measure, the progress of the State and the individual community college districts can be assessed. The level of performance is measured by a percentage, and as outlined in the Carl D. Perkins Career and Technical Education Act (2018) (20 U.S.C. § 2343(b)(2)) the State and the colleges districts must meet their established levels of performance by at least 90%.

For example, in the State Plan, the State determined level of performance for FY 2024 for core indicator 1P1: Post-Program Placement is set at 95.51%. Ninety percent of that is 85.96%, which means that the actual level of performance statewide must reach or exceed 85.96% in order to meet the performance expectation for that measure. The consequences of not meeting expectations are described below in the *Improvement Plans* section.

Local Levels of Performance

Community college districts agree to accept the State determined levels of performance for each year of the plan and include those in the local plan. However, community college districts can negotiate with the State to reach an agreement on new local levels of performance for each of the core indicators of performance. Specific conditions and requirements for this process are outlined in Section 113(b)(4)(A).

Districts submit annual local reports to the Chancellor's Office that include the data on actual performance levels, including the progress in achieving the local levels of performance on the core indicators of performance. Districts upload these to the

Chancellor's Office's [Management Information System \(MIS\)](#) each year by October 31. Programs and institutions must submit reports to the District. *

c. Consolidated Annual Report (CAR)

Under the Perkins V legislation and applicable Department regulations, the State is required to submit the following reports each year:

- Narrative performance report pursuant to 2 C.F.R. § 200.329 and 34 C.F.R. § 76.720
- Financial reports pursuant to 2 C.F.R. § 200.328 and 34 C.F.R. § 76.720
- Performance data reports pursuant to section 113(b)(3)(C) of Perkins V

To enable eligible agencies to efficiently and effectively meet their annual reporting requirements, ED has combined these reports into a single reporting instrument, the Consolidated Annual Report (CAR). The CAR for the most recently completed program year is due on January 31 of the following year.

To ensure that the State can properly report these required data, community college districts must annually submit disaggregated data on the performance of students by gender, race/ethnicity, special population categories, and career clusters. Additionally, community college districts must be prompt with submitting their annual final reports, as achieved outcomes are shared in the report.

d. Improvement Plans

In accordance with the 2018 Strengthening Career and Technical Education for the 21st Century Act, Pub. L. No. 115-224, § 113(b)(4), if a community college district fails to meet at least 90% of the SDLPs or agreed-upon local levels of performance for any core indicator, the community college district must develop and implement a program improvement plan for the first program year after the program year during which the applicable levels of performance were not met. This program improvement plan is essentially a corrective action plan that details the steps that the community college district will take to ensure that it meets the applicable level of performance in the following year. The improvement plan must also include an analysis of any disparities or gaps in performance between any of the major racial and ethnic groups, genders, or special populations, and all CTE concentrators served by the community college district, and the actions that will be taken to address the gaps.

The improvement plans must be developed in consultation with applicable stakeholders, including those who were consulted regarding the CLNA and the local application, the eligible agency, and other appropriate agencies, individuals, and organizations.

If a community college district has not met one or more established levels of performance for a program year, that college must submit a local program improvement plan to the

Chancellor's Office for review and approval to receive its Perkins allocation for the upcoming program year. An improvement plan can be submitted as part of the community college district's annual funding request submissions. The community college district-level improvement plans must include an analysis of performance gaps for populations and subgroups, but also for programs that did not meet the benchmarks. Actions must be developed to address these gaps.

Local districts that did not meet the 90% threshold must develop and submit a Program Improvement Plan (PIP) that includes the following components:

1. The core indicator(s) that the recipient failed to meet at the 90 percent threshold.
2. The disaggregated categories of students for which there were quantifiable disparities or gaps in performance compared to all students or any other category of students.
3. An analysis of performance disparities or gaps.
4. The action steps which will be implemented, beginning in the current program year, to improve core indicator performance on the core indicator(s) and for the categories of students for which disparities or gaps in performance were identified.
5. A timeline for completing each action and staff member(s) who will be responsible for each step.

The Chancellor's Office may withhold from a community college district, all or a portion of the community college district's Perkins V allotment if the community college district:

- Fails to implement an improvement plan; or
- With respect to any specific core indicator of performance that was identified in a program improvement plan, fails to meet at least 90 percent of the local level of performance for such core indicator for 2 consecutive years after the community college district has been identified for improvement.

X. Allocation of Federal Funds

a. Allocations to States

Perkins V funds are allocated to States annually through a formula grant. The allocation formula is based on multiple factors, including the population of individuals within certain age groups in the State and on the State's per capita income. Section 111 provides additional information on the allocation formula.

b. Within-State Allocations

WEDD is responsible for allocating the funds that are made available under the Perkins V grant to the community college districts as the eligible recipients. The Chancellor's Office learns the amount of the Perkins V grant award from CDE generally between February and

April for the grant period starting the following July 1, depending on when CDE learns the grant amount from ED. However, if this amount is not known before April, the WEDD staff members will use the previous year's award to estimate allocations.

The postsecondary allocation will be distributed as required in the statute as shared in the diagram below:

- Not more than 5% for State administration activities;
- Not more than 10% for State leadership activities; and
- The remaining amount, which cannot be less than 85%, for the pass-through, or subgrant, to the community college districts.
 - Prior to allocating the subgrants, the statute allows the Chancellor's Office to reserve not more than 15% for:
 - Rural areas;
 - Areas with high percentages or numbers of CTE concentrators or CTE participants; and
 - Areas with disparities or gaps in performance.

The community college districts must use reserve funds to:

- (1) foster innovation through the identification and promotion of promising and proven career and technical education programs, practices, and strategies that prepare individuals for nontraditional fields; or
- (2) promote the development, implementation, and adoption of programs of study or career pathways aligned with State-identified high-skill, high-wage, or in-demand occupations or industries.

Determination of Distribution of Funds to Community College Districts

As required by Section 132 of the Perkins V statute, the Chancellor's Office's distribution of Perkins V funds to community college districts is based on the number of Federal Pell Grant and Bureau of Indian Affairs (BIA) grant recipients enrolled in CTE programs.

The Chancellor's Office provides preliminary headcount reports to Districts annually in January. The data is verified by the district, and any revisions are returned to the Chancellor's Office (See screenshot of Report 1 below). The final local distribution of funds is based on column 6 in report 1.



California Community Colleges

**California Community Colleges: Management Information Systems
Perkins Section 132 Formula Distribution
Based on Perkins Title I-C Allocation Criteria
Using MIS Data from 2024-25 *
Final Report 1 - Categories of Unduplicated Headcounts by College**

Districts	Colleges	1 - All Students	3 - CTE Students	5 - Unduplicated CTE Econ Disadvantaged Students (Columns 1-12 on Report 2)	6 - Unduplicated CTE Econ Disadvantaged Students with DSS Students **
Allan Hancock CCD	Allan Hancock College	19,961	11,565	5,240	5,240
	District Total	19,961	11,565	5,240	5,240
Antelope CCD	Antelope Valley College	19,568	9,866	8,395	8,395
	District Total	19,568	9,866	8,395	8,395
Barstow CCD	Barstow College	5,550	1,915	1,586	1,586
	District Total	5,550	1,915	1,586	1,586
Butte CCD	Butte College	15,361	9,183	5,383	5,383
	District Total	15,361	9,183	5,383	5,383
Cabrillo CCD	Cabrillo College	15,768	7,862	3,317	3,317
	District Total	15,768	7,862	3,317	3,317
Cerritos CCD	Cerritos College	35,579	17,965	9,550	9,550

Report 2 below shows disaggregated data elements used for aggregate unduplicated CTE Economically disadvantaged students' data in report 1 (column 5).

California Community Colleges: Management Information Systems
Perkins Section 132 Formula Distribution
Based on Perkins Title I-C Allocation Criteria
Using MIS Data from 2024-2025

Final Report 2 -- CTE Duplicate Counts by Economic Disadvantaged Categories
By Colleges * (Column add vertically -- Rows are not intended to be added horizontally)

DISTRICT	COLLEGE	1-CCPG	2-PELL	3-CALWORKS	4-WIA	5-SSI SELF DECL	6-SSI AUDITABLE	7-TANF SELF DECL	8-TANF AUDITABLE	9-GA SELF DECL	10-GA AUDITABLE	11-OTHER SELF DECL	12-OTHER AUDITABLE	13-DSS STUDENTS
Allan Hancock CCD	Allan Hancock College	4,242	2,437	84	0	115	0	460	0	122	0	2,052	0	0
	District Total	4,242	2,437	84	0	115	0	460	0	122	0	2,052	0	0
Antelope CCD	Antelope Valley College	7,256	5,193	311	0	0	0	0	0	0	0	7,404	0	0
	District Total	7,256	5,193	311	0	0	0	0	0	0	0	7,404	0	0
Barstow CCD	Barstow College	1,530	1,225	77	0	41	0	394	0	38	0	261	0	0
	District Total	1,530	1,225	77	0	41	0	394	0	38	0	261	0	0
Butte CCD	Butte College	5,268	3,635	146	0	0	0	0	0	0	0	0	0	0
	District Total	5,268	3,635	146	0	0	0	0	0	0	0	0	0	0
Cabrillo CCD	Cabrillo College	2,975	1,928	88	0	24	0	71	0	21	0	449	0	0
	District Total	2,975	1,928	88	0	24	0	71	0	21	0	449	0	0
California Online CCD	Calbright College	0	0	0	0	0	0	0	0	0	0	0	0	0
	District Total	0	0	0	0	0	0	0	0	0	0	0	0	0

Pursuant to Perkins V, no community college district may receive an amount of less than \$50,000.

XI. State-Level Uses of Funds

Perkins V sets out requirements for the use of funds at the State level.

a. State Administration Activities

The State must spend an amount equal to no more than 5% of the total State allocation, or \$250,000, whichever is greater, for administration of the State plan. These funds may be used for the costs of:

- Developing the State plan;
- Reviewing local applications;
- Monitoring and evaluating program effectiveness;
- Assuring compliance with all applicable federal laws;
- Providing technical assistance; and

- Supporting and developing State data systems relevant to the provisions of Perkins.

Section 112(b) of the Perkins V statute requires that the States match (from non-federal sources and on a dollar-for-dollar basis) all Perkins V funds spent on administration.

b. State Leadership Activities

The State may not spend more than 10% of the State allocation on leadership activities. Out of this 10%, the State must make the following amounts available, as designated in the Act:

- Not more than 2% of the leadership funds, for serving individuals in State institutions such as State correctional institutions, juvenile justice facilities, and educational institutions that serve individuals with disabilities.
- Not less than \$60,000 and not more than \$150,000, for services that prepare individuals for fields that are non-traditional for their gender.
- An amount equal to 0.1% of the State's total allotment (up to \$50,000) for the recruitment of members of special populations to enroll in CTE programs. These funds are expended at the State level for the benefit of all the community college districts.

Section 124 of the Perkins V statute describes required and permissible State leadership activities for which leadership funds can be used.

Section 124(a): Required Uses of Leadership Funds

1. Conduct State leadership activities to improve career and technical education, which shall include support for –

- (A) preparation for non-traditional fields in current and emerging professions, programs for special populations, and other activities that expose students, including special populations, to high-skill, high-wage, and in-demand occupations;
- (B) individuals in State institutions, such as State correctional institutions, including juvenile justice facilities, and educational institutions that serve individuals with disabilities;
- (C) recruiting, preparing, or retaining career and technical education teachers, faculty, specialized instructional support personnel, or paraprofessionals, such as preservice, professional development, or leadership development programs; and
- (D) technical assistance for eligible recipients; and

2. Report on the effectiveness of such use of funds in achieving the goals described in section 122(d)(2) and the State determined levels of performance described in section 113(b)(3)(A) and reducing disparities or performance gaps as described in section 113(b)(3)(C)(ii)(II).

Section 124(b): Permissible Uses of Leadership Funds

1. Developing statewide programs of study, which may include standards, curriculum, and course development, and career exploration, guidance, and advisement activities and resources;

2. Approving locally developed programs of study that meet the requirements established in section 122(d)(4)(B);

3. Establishing statewide articulation agreements aligned to approved programs of study;

4. Establishing statewide industry or sector partnerships among local educational agencies, institutions of higher education, adult education providers, Indian Tribes and Tribal organizations that may be present in the State, employers, including small businesses, and parents, as appropriate to—

(A) develop and implement programs of study aligned to State and local economic and education needs, including as appropriate, in-demand industry sectors and occupations;

(B) facilitate the establishment, expansion, and integration of opportunities for students at the secondary level to—

(i) successfully complete coursework that integrates rigorous and challenging technical and academic instruction aligned with the challenging State academic standards adopted by the State under section 1111(b)(1) [20 U.S.C. 6311(b)(1)] of the Elementary and Secondary Education Act of 1965; and

(ii) earn a recognized postsecondary credential or credit toward a recognized postsecondary credential, which may be earned through a dual or concurrent enrollment program or early college high school, at no cost to the student or the student's family; and

(C) facilitate work-based learning opportunities;

5. High-quality comprehensive professional development that is, to the extent practicable, grounded in evidence-based research (to the extent a State determines that such evidence is reasonably available) that identifies the most effective educator professional development process and is coordinated and aligned with other professional development activities carried out by the State (including under title II of the Elementary

and Secondary Education Act of 1965 and title II of the Higher Education Act of 1965), including programming that—

(A) promotes the integration of the challenging State academic standards adopted by the State under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 [20 U.S.C. 6311(b)(1)] and relevant technical knowledge and skills, including programming jointly delivered to academic and career and technical education teachers;

(B) prepares career and technical education teachers, faculty, specialized instructional support personnel, and paraprofessionals to provide appropriate accommodations for students who are members of special populations, including through the use of principles of universal design for learning, multi-tier systems of supports, and positive behavioral interventions and support; and

(C) increases the ability of teachers, faculty, specialized instructional support personnel, and paraprofessionals providing career and technical education instruction to stay current with industry standards and earn an industry-recognized credential or license, as appropriate, including by assisting those with relevant industry experience in obtaining State teacher licensure or credential requirements;

6. Supporting eligible recipients in eliminating inequities in student access to—

(A) high-quality programs of study that provide skill development; and

(B) effective teachers, faculty, specialized instructional support personnel, and paraprofessionals;

7. Awarding incentive grants to eligible recipients—

(A) for exemplary performance in carrying out programs under this Act, which awards shall be based on—

(i) eligible recipients exceeding the local level of performance on a core indicator of performance established under section 113(b)(4)(A) in a manner that reflects sustained or significant improvement;

(ii) eligible recipients effectively developing connections between secondary education and postsecondary education and training;

(iii) the integration of academic and technical standards;

(iv) eligible recipients' progress in closing achievement gaps among subpopulations who participate in programs of study; or

(v) other factors relating to the performance of eligible recipients under this Act as the eligible agency determines are appropriate; or

(B) if an eligible recipient elects to use funds as permitted under section 135(c);

8. Providing support for—

(A) the adoption and integration of recognized postsecondary credentials and work-based learning into programs of study, and for increasing data collection associated with recognized postsecondary credentials and employment outcomes;
or

(B) consultation and coordination with other State agencies for the identification and examination of licenses or certifications that—

(i) pose an unwarranted barrier to entry into the workforce for career and technical education students, and

(ii) do not protect the health, safety, or welfare of consumers;

9. The creation, implementation, and support of pay for success initiatives leading to a recognized postsecondary credential;

10. Support for career and technical education programs for adults and out-of-school youth concurrent with their completion of their secondary school education in a school or other educational setting;

11. The creation, evaluation, and support of competency-based curricula;

12. Support for the development, implementation, and expansion of programs of study or career pathways in areas declared to be in a State of emergency under section 501 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5191);

13. Partnering with qualified intermediaries to improve training, the development of public-private partnerships, systems development, capacity-building, and scalability of the delivery of high-quality career and technical education;

14. Improvement of career guidance and academic counseling programs that assist students in making informed academic and career and technical education decisions, including academic and financial aid counseling;

15. Support for the integration of employability skills into career and technical education programs and programs of study;

16. Support for programs and activities that increase access, student engagement, and success in science, technology, engineering, and mathematics fields (including computer science, coding, and architecture), support for the integration of arts and design skills, and support for hands-on learning, particularly for students who are members of groups underrepresented in such subject fields, such as female students, minority students, and students who are members of special populations;

17. Support for career and technical student organizations, especially with respect to efforts to increase the participation of students in nontraditional fields and students who are members of special populations;
18. Support for establishing and expanding work-based learning opportunities that are aligned to career and technical education programs and programs of study;
19. Integrating and aligning programs of study and career pathways;
20. Supporting the use of career and technical education programs and programs of study aligned with State, regional, or local high-skill, high-wage, or in-demand industry sectors or occupations identified by the State workforce development board described in section 101 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3111) or local workforce development boards;
21. Making all forms of instructional content widely available, which may include use of open educational resources;
22. Developing valid and reliable assessments of competencies and technical skills and enhancing data systems to collect and analyze data on secondary and postsecondary academic and employment outcomes;
23. Support for accelerated learning programs, as described 20 U.S.C. 7114(b)(3)(A)(i)(IV), in the case of any such program that is part of a career and technical education program of study;
24. Support for career academies to implement a postsecondary education and workforce-ready curriculum at the secondary education level that integrates rigorous academic, technical, and employability contents through career and technical education programs and programs of study that address needs described in the comprehensive needs assessment under section 134(c);
25. Other State leadership activities that improve career and technical education.

States may not use leadership funds for administrative costs.

XII. Local Uses of Funds

The total Perkins V grant that is passed through to community college districts must be spent for specific purposes that are laid out in the statute.

a. Administration Activities

A community college district may not use more than 5% of its subgrant for administrative expenditures (Section 135(d)). Administration funds are only used at the community college district level. Individual colleges do not receive funds for administration.

b. Balance of Subgrant Funds

The remaining balance of the subgrant must be spent on activities that are consistent with Perkins V Section 135.

Section 135 Local Uses of Funds

Funds must be used to support CTE programs that are of sufficient size, scope, and quality to be effective and that:

1. Provide career exploration and career development activities through an organized, systematic framework designed to aid students, including in the middle grades, before enrolling and while participating in a career and technical education program, in making informed plans and decisions about future education and career opportunities and programs of study, which may include—
 - (A) introductory courses or activities focused on career exploration and career awareness, including non-traditional fields;
 - (B) readily available career and labor market information, including information on—
 - (i) occupational supply and demand;
 - (ii) educational requirements;
 - (iii) other information on careers aligned to state, local, or Tribal (as applicable) economic priorities; and
 - (iv) employment sectors;
 - (C) programs and activities related to the development of student graduation and career plans;
 - (D) career guidance and academic counselors that provide information on postsecondary education and career options;
 - (E) any other activity that advances knowledge of career opportunities and assists students in making informed decisions about future education and employment goals, including non-traditional fields; or
 - (F) providing students with strong experience in, and comprehensive understanding of, all aspects of an industry;
2. Provide professional development for teachers, faculty, school leaders, administrators, specialized instructional support personnel, career guidance and academic counselors, or paraprofessionals, which may include—

- (A) professional development on supporting individualized academic and career and technical education instructional approaches, including the integration of academic and career and technical education standards and curricula;
- (B) professional development on ensuring labor market information is used to inform the programs, guidance, and advisement offered to students, including information provided under section 15(e)(2)(C) of the Wagner-Peyser Act ([29 U.S.C. 491– 2\(e\)\(2\)\(C\)](#));
- (C) providing teachers, faculty, school leaders, administrators, specialized instructional support personnel, career guidance and academic counselors, or paraprofessionals, as appropriate, with opportunities to advance knowledge, skills, and understanding of all aspects of an industry, including the latest workplace equipment, technologies, standards, and credentials;
- (D) supporting school leaders and administrators in managing career and technical education programs in the schools, institutions, or local educational agencies of such school leaders or administrators;
- (E) supporting the implementation of strategies to improve student achievement and close gaps in student participation and performance in career and technical education programs;
- (F) providing teachers, faculty, specialized instructional support personnel, career guidance and academic counselors, principals, school leaders, or paraprofessionals, as appropriate, with opportunities to advance knowledge, skills, and understanding in pedagogical practices, including, to the extent the eligible recipient determines that such evidence is reasonably available, evidence-based pedagogical practices;
- (G) training teachers, faculty, school leaders, administrators, specialized instructional support personnel, career guidance and academic counselors, or paraprofessionals, as appropriate, to provide appropriate accommodations for individuals with disabilities, and students with disabilities who are provided accommodations under the Rehabilitation Act of 1973 ([29 U.S.C. 701 et seq.](#)) or the Individuals with Disabilities Education Act;
- (H) training teachers, faculty, specialized instructional support personnel, career guidance and academic counselors, and paraprofessionals in frameworks to effectively teach students, including a particular focus on students with disabilities and English learners, which may include universal

design for learning, multi-tier systems of supports, and positive behavioral interventions and support; or

- (I) training for the effective use of community spaces that provide access to tools, technology, and knowledge for learners and entrepreneurs, such as makerspaces or libraries;
- 3. Provide within career and technical education the skills necessary to pursue careers in high-skill, high-wage, or in-demand industry sectors or occupations;
- 4. Support integration of academic skills into career and technical education programs and programs of study to support—
 - (A) CTE participants at the secondary school level in meeting the challenging State academic standards adopted under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 by the State in which the eligible recipient is located; and
 - (B) CTE participants at the postsecondary level in achieving academic skills;
- 5. Plan and carry out elements that support the implementation of career and technical education programs and programs of study and that result in increasing student achievement of the local levels of performance established under section 113, which may include—
 - (A) a curriculum aligned with the requirements for a program of study;
 - (B) sustainable relationships among education, business and industry, and other community stakeholders, including industry or sector partnerships in the local area, where applicable, that are designed to facilitate the process of continuously updating and aligning programs of study with skills that are in demand in the state, regional, or local economy, and in collaboration with business outreach staff in one-stop centers, as defined in section 3 of the Workforce Innovation and Opportunity Act ([29 U.S.C. 3102](#)), and other appropriate organizations, including community-based and youth-serving organizations;
 - (C) where appropriate, expanding opportunities for CTE concentrators to participate in accelerated learning programs (as described in section 4104(b)(3)(A)(i)(IV) of the Elementary and Secondary Education Act of 1965), including dual or concurrent enrollment programs, early technical college high schools, and the development or implementation of articulation agreements as part of a career and technical education program of study;
 - (D) appropriate equipment, technology, and instructional materials (including support for library resources) aligned with business and industry needs,

including machinery, testing equipment, tools, implements, hardware and software, and other new and emerging instructional materials;

- (E) a continuum of work-based learning opportunities, including simulated work environments;
- (F) industry-recognized certification examinations or other assessments leading toward a recognized postsecondary credential;
- (G) efforts to recruit and retain career and technical education program teachers, faculty, school leaders, administrators, specialized instructional support personnel, career guidance and academic counselors, and paraprofessionals;
- (H) where applicable, coordination with other education and workforce development programs and initiatives, including career pathways and sector partnerships developed under the Workforce Innovation and Opportunity Act ([29 U.S.C. 3101 et seq.](#)) and other federal laws and initiatives that provide students with transition-related services, including the Individuals with Disabilities Education Act;
- (I) expanding opportunities for students to participate in distance career and technical education and blended-learning programs;
- (J) expanding opportunities for students to participate in competency-based education programs;
- (K) improving career guidance and academic counseling programs that assist students in making informed academic and career and technical education decisions, including academic and financial aid counseling;
- (L) supporting the integration of employability skills into career and technical education programs and programs of study, including through family and consumer science programs;
- (M) supporting programs and activities that increase access, student engagement, and success in science, technology, engineering, and mathematics fields (including computer science and architecture) for students who are members of groups underrepresented in such subject fields;
- (N) providing career and technical education, in a school or other educational setting, for adults or out-of-school youth to complete secondary school education or upgrade technical skills;

- (O) supporting career and technical student organizations, including student preparation for and participation in technical skills competitions aligned with career and technical education program standards and curricula;
 - (P) making all forms of instructional content widely available, which may include use of open educational resources;
 - (Q) supporting the integration of arts and design skills, when appropriate, into career and technical education programs and programs of study;
 - (R) partnering with a qualified intermediary to improve training, the development of public-private partnerships, systems development, capacity-building, and scalability of the delivery of high-quality career and technical education;
 - (S) support to reduce or eliminate out-of-pocket expenses for special populations participating in career and technical education, including those participating in dual or concurrent enrollment programs or early college high school programs, and supporting the costs associated with fees, transportation, child care, or mobility challenges for those special populations; or
 - (T) other activities to improve career and technical education programs; and
6. Develop and implement evaluations of the activities carried out with funds under this part, including evaluations necessary to complete the comprehensive needs assessment required under section 134(c) and the local report required under section 113(b)(4)(B).

XIII. Prohibited Local Uses of Funds

Perkins V funds may not be used for the following purposes:

- Expenditures that directly benefit individual students
 - Exceptions may be made for expenditures that reduce or eliminate out-of-pocket expenses for special populations students participating in CTE programs. The institution must justify any such expenditures, and the state reserves the right to deny any such activities or expenditures that constitute supplanting.
- Payment for tuition, internships, or apprenticeships for students.
- Equipment for administrative, faculty, or staff use.
 - For example: computers for student use in a lab are often allowable; computers for administrative, faculty, or staff use are not.
- Furniture, e.g.: chairs, desks, tables, file cabinets, bookcases.

- Reasonable accommodations for Career and Technical Education students with disabilities are generally the responsibility of the institution.
- Food services, refreshments, banquets, or meals.
- Promotional items such as bumper stickers, pencils, pens, or T-shirts.
- Remodeling not directly connected to accessibility to Career and Technical Education instruction, or services, or to the use or installation of project-purchased equipment (Regional Monitor cannot approve any remodeling for aesthetic purposes, or any remodeling that would normally constitute an institutional responsibility)
- Travel outside of the United States.
- Payment for individual membership.
- Subscriptions to journals or magazines.

XIV. Fiscal Requirements

a. Supplement Not Supplant

As a requirement of the Perkins statute, Section 211(a) states that funds made available under Perkins V must supplement and not supplant non-federal funds expended to carry out CTE activities. In other words, federal Perkins funds may only be used *in addition to* funds spent or allocated by the State and community college districts on CTE, and cannot be used in place of non-federal funds.

It will be presumed that supplanting has occurred where:

- A community college district uses Perkins funds to provide services that it is required to make available under another State or local law or
- A community college district uses Perkins funds to provide services that it provided with non-federal funds in the prior year.

These presumptions are rebuttable if the community college district can demonstrate that even in the absence of Perkins funds, the community college district would not have provided the services in question with non-federal funds.

b. Monitoring

Perkins V and the Uniform Grants Guidance require the eligible agency to evaluate the programs, services, and activities funded under Perkins V. The Chancellor's Office has established a [Monitoring and Technical Assistance Manual](#) that community college districts can refer to and ensure they are meeting the necessary requirements.

XV. Fiscal Grants Management and Compliance with the UGG and EDGAR

There are certain federal fiscal grants management requirements that apply to all grants funded by a federal agency, including the Perkins V grant. First, the [Uniform Grants Guidance](#) requirements apply to all federal grant awards. Second, the [Education Department General Administrative Regulations \(EDGAR\)](#) apply to all grants issued by ED.

a. Financial Management System

Financial Management Requirements

The community college district must maintain a proper financial management system in order to receive Perkins V funds. Certain fiscal controls and procedures must be in place to ensure that all financial management system requirements are met. Failure to meet a requirement may result in the return of funds or termination of the award.

b. Financial Management Standards

The standards for financial management systems are found at 2 C.F.R. § 200.302(b). The required standards include:

Identification

The community college district must identify, in its accounts, all federal awards received and expended and the federal programs under which they were received. Federal program and award identification must include, as applicable, the Assistance Listings (formerly referred to as the CFDA) title and number, federal award identification number, year the federal award was issued, and name of the federal agency (ED) or pass-through entity (the Chancellor's Office).

Financial Reporting

Accurate, current, and complete disclosure of the financial results of each federal award or program must be made in accordance with the financial reporting requirements in 2 C.F.R. §§ 200.328-29 and in EDGAR. See the specific reporting requirements noted above.

Accounting Records

The community college district must maintain records that sufficiently identify the amount, source, and expenditure of federal funds for federal awards. These records must contain information pertaining to grant or subgrant awards, authorizations, financial obligations, unobligated balances, assets, expenditures, income, and interest, and be supported by source documentation.

Internal Controls

Effective control and accountability must be maintained for all funds, property, and assets. The community college district must safeguard all assets and ensure they are used solely for authorized purposes.

The community college district must establish, document, and maintain effective internal controls. “Internal controls” are tools to help program and financial managers achieve results and safeguard the integrity of their program. Internal controls should be designed to provide reasonable assurance that the following objectives are achieved:

- Effectiveness and efficiency of operations
- Reliability of reporting for internal and external use
- Compliance with applicable laws and regulations

The community college district must also evaluate and monitor its own compliance. When instances of noncompliance are identified, the community college district must take prompt action to correct any identified noncompliance.

In addition, the community college district must take reasonable cybersecurity and other measures to safeguard information, including protected personally identifiable information (PII) and other types of information. This also includes information ED or the Chancellor’s Office designates as sensitive or other information that the community college district considers consistent with applicable privacy laws. (2 C.F.R. § 200.303(e)).

Budget Control

Actual expenditures or outlays must be compared with budgeted amounts for each federal award.

Cash Management

The community college district must maintain written procedures to implement the cash management requirements found in 2 C.F.R. § 200.305. See the Determining Allowability of Costs section below.

Allowable Costs

The community college district must maintain written procedures for determining allowability of costs in accordance with the terms and conditions of the award.

Cash Management

In the event community college districts receive advanced payments from the Chancellor’s Office for Perkins V funds, the community college district must comply with applicable methods and procedures for payment that minimize the time elapsing between the transfer of funds and disbursement by the community college district, in accordance with the Cash Management Improvement Act at 31 C.F.R. Part 205. Generally, it is considered the best practice to expend federal funds within 72 hours of receipt.

The community college district must hold federal advance payments in interest-bearing accounts, unless an allowable exception applies. 2 C.F.R. § 200.305(b)(10). The community college district must calculate interest earned on cash balances after funds are deposited into its account. The community college district may retain interest amounts up to \$500 per year for administrative expenses. 2 C.F.R. § 200.305(b)(12). If the interest exceeds \$500 per year, the community college district will remit that additional interest earned annually to the U.S. Department of Health and Human Services (HHS) Payment Management System (PMS) in accordance with 2 C.F.R. §§ 200.305(b)(10)-(12).

Spending Grant Funds

Direct and Indirect Costs

All costs charged to a federal grant, such as Perkins V, are either direct or indirect costs. There is no universal rule for classifying certain costs as direct or indirect costs. A cost may be direct for some specific service or function, but indirect for the federal award or other final cost objective. Therefore, it is essential that each item of cost incurred for the same purpose in like circumstances must be treated consistently as either a direct or indirect cost to avoid possible double charging of Perkins V. 2 C.F.R. § 200.412.

Direct costs: Those costs that can be identified specifically with a particular final cost objective, such as under Perkins V, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy. 2 C.F.R. § 200.413(a). Direct costs are generally allowable if they are part of the program budget and they satisfy the Uniform Guidance's cost principles. Typical costs charged directly to a Federal award are the compensation of employees who work on that award, their related fringe benefit costs, and the costs of materials and other items of expenses incurred for the Federal award. 2 C.F.R. § 200.413(b).

Indirect costs: Costs that have been incurred for a common or joint purpose benefitting more than one cost objective and are not readily assignable to the cost objectives specifically benefited, without effort disproportionate to the results achieved. 2 C.F.R. § 200.1 (*Indirect Cost*). Generally, these costs cannot be directly assigned or allocated to one specific project because they support multiple projects. Consistent with the Uniform Guidance, these costs are sometimes classified as "facilities and administration" costs (F&A costs).

The salaries of administrative and clerical staff should normally be treated as indirect costs. Direct charging of these costs may be appropriate only if all of the following conditions are met:

- Administrative or clerical services are integral to a project or activity;
- Individuals involved can be specifically identified with the project or activity;
- The costs are not also recovered as indirect costs;

2 C.F.R. § 200.413(c).

Indirect Cost Rate: Perkins has a 5% cap on the percentage of administrative costs that may be charged to a grant, that cap must include all direct administrative charges as well as any recovered indirect charges.

Program Income

Program income means gross income earned by a grant recipient (community college district) that is directly generated by a supported activity or earned as a result of the federal award (Perkins V) during the grant's period of performance. 2 C.F.R. § 200.1 (*Program income*).

Program income includes, but is not limited to, income from fees for services performed, the use or rental of real or personal property acquired under federal awards, the sale of commodities or items fabricated under a federal award, license fees and royalties on patents and copyrights, and principal and interest on loans made with federal award funds. Interest earned on advances of federal funds is not program income. Except as otherwise provided in federal statutes, regulations, or the terms and conditions of the federal award, program income does not include rebates, credits, discounts, and interest earned on any of them. 2 C.F.R. § 200.1 (*Program income*). Additionally, taxes, special assessments, levies, fines, and similar revenues raised by a recipient are not program income. Finally, proceeds from the sale of real property, equipment, or supplies are not program income. 2 C.F.R. § 200.307(e)(2)-(3).

Under Perkins V, community college districts must use the addition method, where program income is added to the total allowable costs, increasing the overall total amount of the federal award. The program income must then be used for the original purpose of Perkins V. 2 C.F.R. § 200.307(a).

c. Basic Cost Principles

Determining Allowability of Costs

The community college district must ensure it has a process to review proposed costs to determine whether they are an allowable use of federal grant funds *before* obligating and spending those funds on the proposed good or service. All costs supported by federal education funds must meet the standards outlined in EDGAR and 2 C.F.R. Part 200, which are provided in the bulleted list below. The community college district must consider these factors when making an allowability determination.

- *Necessary and Reasonable for the performance of the federal award.* The community college district must consider these elements when determining the

reasonableness of a cost. A cost is reasonable if it does not exceed an amount that a prudent person would incur under the circumstances prevailing when the decision was made to incur the cost. For example, reasonable means that sound business practices were followed, and purchases were comparable to market prices. When determining the reasonableness of a cost, consideration must be given to all of the following:

- Whether the cost is generally recognized as ordinary and necessary for the operation of the community college district or the proper and efficient performance of the federal award;
- The restraints or requirements imposed by factors, such as sound business practices; arm's-length bargaining; federal, state, local, tribal, and other laws and regulations; and terms and conditions of the federal award;
- Market prices for comparable goods or services for the geographic area;
- Whether the individuals concerned acted with prudence in the circumstances, considering their responsibilities to the community college district, its employees, its students, the public at large, and the federal government; and
- Whether the community college district significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the federal award's cost. 2 C.F.R. § 200.404.

While 2 C.F.R. § 200.404 does not provide specific descriptions of what satisfies the "necessary" element beyond its inclusion in the reasonableness analysis above, necessary is determined based on the needs of the program. Specifically, the expenditure must be necessary to achieve an important program objective. When determining whether a cost is necessary, consideration may be given to:

- Whether the cost is needed for the proper and efficient performance of the grant program.
 - Whether the cost is identified in the approved budget or application.
 - Whether there is an educational benefit associated with the cost.
 - Whether the cost aligns with identified needs based on results and findings from a needs assessment.
 - Whether the cost addresses program goals and objectives and is based on program data.
- *Allocable to the federal award.* A cost is allocable to the federal award if the goods or services involved are chargeable or assignable to the federal award in accordance with the relative benefit received. This means that the federal grant program derived a benefit in proportion to the funds charged to the program. 2 C.F.R. § 200.405.

- *Consistent with policies and procedures that apply uniformly to both federally financed and other activities of the community college district.*
- *Conform to any limitations or exclusions set forth as cost principles in Part 200 or in the terms and conditions of the federal award.*
- *Consistent treatment.* A cost cannot be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been assigned as an indirect cost under another award.
- *Adequately documented.* All expenditures must be properly documented.
- *Be determined in accordance with Generally Accepted Accounting Principles (GAAP), unless provided otherwise in Part 200.*
- *Not included as a match or cost-share, unless the specific federal program authorizes federal costs to be treated as such.* Some federal program statutes require the recipient or subrecipient to contribute a certain amount of non-federal resources to be eligible for the federal program.
- *Be the net of all applicable credits.* The term “applicable credits” refers to those receipts or reductions of expenditures that operate to offset or reduce expense items allocable to the federal award. Typical examples of such transactions are: purchase discounts, rebates or allowances, recoveries or indemnities on losses, and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the State relate to the federal award, they shall be credited to the federal award, either as a cost reduction or a cash refund, as appropriate. 2 C.F.R. § 200.406.

Selected Items of Cost

Part 200 examines the allowability of specific cost items (commonly referred to as Selected Items of Cost) at 2 C.F.R. §§ 200.420-76. These cost items are listed in the chart below, along with the citation where it is discussed whether the item is allowable.

Community college district personnel responsible for spending federal grant funds and for determining allowability must be familiar with the Part 200 selected items of cost section. The community college district must follow these rules when charging these specific expenditures to a federal grant. When applicable, community college district staff must check costs against the selected items of cost requirements to ensure the cost is allowable.

The selected item of cost addressed in Part 200 includes the following (in alphabetical order):

Item of Cost	Citation of Allowability Rule
Advertising and public relations	2 C.F.R. § 200.421
Advisory councils	2 C.F.R. § 200.422
Alcoholic beverages	2 C.F.R. § 200.423
Alumni activities	2 C.F.R. § 200.424
Audit services	2 C.F.R. § 200.425
Bad debts	2 C.F.R. § 200.426
Bonding costs	2 C.F.R. § 200.427
Collections of improper payments	2 C.F.R. § 200.428
Commencement and convocation costs	2 C.F.R. § 200.429
Compensation—personal services	2 C.F.R. § 200.430
Compensation—fringe benefits	2 C.F.R. § 200.431
Conferences	2 C.F.R. § 200.432
Contingency provisions	2 C.F.R. § 200.433
Contributions and donations	2 C.F.R. § 200.434
Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements	2 C.F.R. § 200.435
Depreciation	2 C.F.R. § 200.436
Employee health and welfare costs	2 C.F.R. § 200.437
Entertainment and prizes	2 C.F.R. § 200.438
Equipment and other capital expenditures	2 C.F.R. § 200.439
Exchange rates	2 C.F.R. § 200.440
Fines, penalties, damages and other settlements	2 C.F.R. § 200.441
Fundraising and investment management costs	2 C.F.R. § 200.442
Gains and losses on the disposition of depreciable assets	2 C.F.R. § 200.443
General costs of government	2 C.F.R. § 200.444
Goods or services for personal use	2 C.F.R. § 200.445
Idle facilities and idle capacity	2 C.F.R. § 200.446
Insurance and indemnification	2 C.F.R. § 200.447
Intellectual property	2 C.F.R. § 200.448
Interest	2 C.F.R. § 200.449
Lobbying	2 C.F.R. § 200.450
Losses on other awards or contracts	2 C.F.R. § 200.451

Maintenance and repair costs	2 C.F.R. § 200.452
Materials and supplies costs, including costs of computing devices	2 C.F.R. § 200.453
Memberships, subscriptions, and professional activity costs	2 C.F.R. § 200.454
Organization costs	2 C.F.R. § 200.455
Participant support costs	2 C.F.R. § 200.456
Plant and security costs	2 C.F.R. § 200.457
Pre-award costs	2 C.F.R. § 200.458
Professional service costs	2 C.F.R. § 200.459
Proposal costs	2 C.F.R. § 200.460
Publication and printing costs	2 C.F.R. § 200.461
Rearrangement and reconversion costs	2 C.F.R. § 200.462
Recruiting costs	2 C.F.R. § 200.463
Relocation costs of employees	2 C.F.R. § 200.464
Rental costs of real property and equipment	2 C.F.R. § 200.465
Scholarships, student aid costs, and tuition remission	2 C.F.R. § 200.466
Selling and marketing costs	2 C.F.R. § 200.467
Specialized service facilities	2 C.F.R. § 200.468
Student activity costs	2 C.F.R. § 200.469
Taxes (including Value Added Tax)	2 C.F.R. § 200.470
Telecommunications and video surveillance costs	2 C.F.R. § 200.471
Termination and standard closeout costs	2 C.F.R. § 200.472
Training and education costs	2 C.F.R. § 200.473
Transportation costs	2 C.F.R. § 200.474
Travel costs	2 C.F.R. § 200.475
Trustees	2 C.F.R. § 200.476

Clarifying Common Cost

Unpaid Internships/Work Experience: Perkins V funding may be utilized to support students participating in an unpaid internship or work experience.

Travel: Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of a grant recipient. Such costs may be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method

used is applied to an entire trip and not selected days of the trip, and results in charges consistent with those normally allowed in like circumstances in the recipient's non-federally funded activities and in accordance with the community college district's written travel reimbursement policies. 2 C.F.R. § 200.475(a).

Costs incurred by employees and officers for travel, including costs of lodging, other subsistence, and incidental expenses, must be considered reasonable and otherwise allowable only to the extent such costs do not exceed charges normally allowed by the community college district in its regular operations as a result of its written travel policy. In addition, if these costs are charged directly to the federal award, documentation must justify that (1) participation of the individual is necessary for the federal award; and (2) the costs are reasonable and consistent with the community college district's established written policy. 2 C.F.R. § 200.475(b).

Out-of-State travel must be approved by the Chancellor's Office as follows:

- Travelers must first respond to each section of the [Out-of-State Travel Request Authorization Form](#).
- Travel requests must be submitted to the Chancellor's Office at least thirty (30) days prior to the actual travel/event date.
- a clearly defined purpose for the out-of-state travel,
- how attendance will benefit CTE programs as shared in the local application,
- how attendance will benefit the State,
- and an explanation for why the traveler cannot receive similar training or opportunities in the State.

Sharing these details is critical for our agency to retain this level of detail in case of an audit.

d. Timely Obligation of Funds

When Obligations are Made

Financial obligations mean orders placed for property and services, contracts and subawards made, and similar transactions that require payment under a federal award that will result in expenditures by a recipient or subrecipient under a federal award. 2 C.F.R. § 200.1 (*Financial obligations*).

The following table illustrates when funds are determined to be obligated under federal regulations:

If the obligation is for:	The obligation is made:
----------------------------------	--------------------------------

Acquisition of property	On the date which the community college district makes a binding written commitment to acquire the property
Personal services by an employee	When the services are performed
Personal services by a contractor who is not an employee	On the date which the community college district makes a binding written commitment to obtain the services
Public utility services	When the community college district receives the services
Travel	When the travel is taken
Rental of property	When the community college district uses the property
A pre-agreement cost that was properly approved by the Secretary under the cost principles in 2 C.F.R. part 200, Subpart E—Cost Principles	On the first day of the project period

34 C.F.R. § 75.707; 34 C.F.R. § 76.707.

Period of Availability of Federal Funds

All financial obligations must occur on or between the beginning and ending dates of the grant project. 34 C.F.R. § 76.703; 34 C.F.R. § 76.707. The time interval between the start and end date of a federal award is known as the period of performance. 2 C.F.R. § 200.1 (*Period of performance*). The period of performance consists of either one or many funded portions or budget periods during which the community college district is authorized to spend award funds. The period of performance and budget period are indicated in the federal award.

For state-administered grants, such as Perkins V, the obligation clock for subrecipients starts once the State is authorized to begin obligations or once the community college district submits its application to the State in substantially approvable form, whichever is later. 34 C.F.R. § 76.708(a). Reimbursement for obligations incurred when a subgrantee is operating under a substantially approved application is contingent on final approval of the application. 34 C.F.R. § 76.708(b).

For a cost to be allowable, it must be obligated during the period of performance. For example, approved equipment that is purchased with Perkins funds before June 30 (the end of the period of performance), but that will not arrive until after June 30, is allowable. If the funds have already been obligated and authorized (requisition/PO raised and

approved) before June 30, the community college district can pay the invoice once the equipment arrives.

Liquidation

The community college district must submit all reports (financial, performance, and other reports required) to the Chancellor's Office and liquidate all financial obligations incurred under the award not later than 90 days after the end of the funding period unless an extension is authorized. When justified, ED or the Chancellor's Office may approve extensions for the community college district. 2 C.F.R. § 200.344(b)-(c). Any funds not obligated within the period of availability or liquidated within the appropriate timeframe are said to lapse and must be returned to ED. 2 C.F.R. § 200.344(e). Consequently, the community college district must closely monitor grant spending throughout the grant cycle.

e. Procurement

Purchasing Methods

Micropurchases

Micro-purchase means the aggregate amount of the procurement transaction does not exceed the micro-purchase threshold defined in 2 C.F.R. § 200.1, currently set at \$15,000. However, the community college district may establish a lower (or higher, see below) threshold. The micro-purchase method is used in order to expedite the completion of its lowest-dollar small purchase transactions and minimize the associated administrative burden and cost. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold.

To the maximum extent practicable, the community college district must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive price or rate quotations if the community college district considers the price to be reasonable based on research, experience, purchase history, or other information. 2 C.F.R. § 200.320(a)(1)(ii). Purchase cards can be used for micro-purchases if procedures are documented and approved by the community college district. The community college district must maintain evidence of this reasonableness in the records of all micro-purchases.

Simplified Acquisition Procedures

The simplified acquisition procedures apply when the aggregate dollar amount of the procurement transaction is higher than the micro-purchase threshold but does not exceed the simplified acquisition threshold (\$114,800 under 2025 California law). The community college district may lower the threshold based on internal controls, an

evaluation of risk, and its documented procurement procedures. If simplified acquisition procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources. Unless specified by ED, the community college district may determine what number is adequate.

Formal Procurement

Pursuant to Public Contract Code § 20651(a) formal procurement is required for any purchase over \$119,100. Formal procurement can be conducted through sealed bids or competitive proposals.

Sealed Bids (Formal Advertising): Bids must be publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid conforms with all the material terms and conditions of the invitation and is the lowest in price. The sealed bids procurement method is preferred for procuring construction and services. Sealed bids are feasible when the following conditions from 2 C.F.R. § 200.320(b)(1)(i) exist:

- A complete, adequate, and realistic specification or purchase description is available;
- Two or more responsible bidders have been identified as willing and able to compete effectively for the business; and
- The procurement lends itself to a firm-fixed-price contract, and the selection of the successful bidder can be made principally based on price.

If sealed bids are used, the following requirements from 2 C.F.R. § 200.320(b)(1)(ii) apply:

- Bids must be solicited from an adequate number of qualified sources, providing them with sufficient response time prior to the date set for opening the bids. Unless specified by ED, the community college district may exercise judgment in determining what number is adequate. For local governments, the invitation for bids must be publicly advertised.
- The invitation for bids must define the items or services with specific information, including any required specifications, for the bidder to properly respond.
- All bids will be opened at the time and place prescribed in the invitation for bids. For local governments, the bids must be opened publicly.
- A firm-fixed-price contract is awarded in writing to the lowest responsive bid and responsible bidder.
- The recipient or subrecipient shall document and provide a justification for all rejected bids.

Competitive Proposals: A procurement method used when conditions are not appropriate for using sealed bids. This procurement method may result in either a fixed price or a cost-reimbursement contract. They are awarded in accordance with the following requirements:

- Requests for proposals require public notice, and all evaluation factors and their relative importance must be identified. All proposals must be considered to the maximum extent practical.
- Proposals must be solicited from multiple qualified sources.
- The community college district must have written procedures for conducting technical evaluations and making selections of proposals.
- Contracts must be awarded to the responsible firm whose proposal is most advantageous to the recipient or subrecipient, considering price and other factors.

The community college district may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services, whereby the offeror's qualifications are evaluated and the most qualified offeror is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in the procurement of A/E professional services. The method may not be used to purchase services provided by A/E firms that are a potential source to perform the proposed effort.

Contract/Price Analysis: The community college district must perform a cost or price analysis for every procurement action in excess of \$350,000, including contract modifications. 2 C.F.R. § 200.324(a). A cost analysis generally means evaluating the separate cost elements that make up the total price, while a price analysis means evaluating the total price without looking at the individual cost elements.

The method and degree of analysis is dependent on the facts surrounding the particular procurement situation (For example, the community college district should consider potential workforce impacts in its analysis if the procurement transaction will displace public sector employees); however, the community college district must come to an independent estimate prior to receiving bids or proposals. 2 C.F.R. § 200.324(a).

Noncompetitive Proposals (Sole Sourcing)

There are specific circumstances in which noncompetitive procurement can be used. Noncompetitive procurement method may only be used if one of the following circumstances applies:

- The aggregate amount of the transaction is under the micro-purchase threshold;
- The procurement transaction can only be fulfilled by a single source;
- The public exigency or emergency for the requirement will not permit a delay resulting from providing public notice of a competitive solicitation;
- After solicitation of several sources, competition is determined inadequate;
- The community college district requests in writing to use a noncompetitive procurement method, and the Chancellor's Office or the Federal agency entity provides written approval.

Full and Open Competition

All procurement transactions for the acquisition of property or services required under the Federal award must be conducted in a manner that provides full and open competition consistent with 2 C.F.R. §§ 200.319 and 200.320. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing on those procurements. Examples of situations considered to be restrictive of competition include, but are not limited to:

- Placing unreasonable requirements on firms in order for them to qualify to do business;
- Prequalified lists must not preclude potential bidders from qualifying (200.319(e))
- Requiring unnecessary experience and excessive bonding;
- Noncompetitive pricing practices between firms or between affiliated companies;
- Noncompetitive contracts to consultants that are on retainer contracts;
- Organizational conflicts of interest;
- Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
 - Detailed product specifications should be avoided if at all possible 2 C.F.R. § 200.319(d)).
- Any arbitrary action in the procurement process.

The UGG further requires the following to ensure adequate competition.

Contractor Preferences

The community college district must award contracts only to responsible contractors that possess the ability to perform successfully under the terms and conditions of a proposed contract. Recipients and subrecipients must consider:

- Contractor integrity
- Public policy compliance
- Proper classification of employees under the Fair Labor Standards Act, 29 U.S.C. 201
- Past performance record
- Financial and technical resources

The community college district may develop written procedures for procurement transactions that incorporate a scoring mechanism that rewards bidders who commit to specific numbers and types of U.S. jobs, minimum compensation, benefits, on-the-job-training for employees making work or products providing services on a contract, and

other worker protections. Any scoring mechanism must be consistent with the U.S. Constitution, applicable Federal statutes and regulations, and the terms and conditions of the Federal award.

Domestic Preference for Procurement

The community college district should, to the greatest extent practicable and consistent with law, provide a preference for the purchase, or acquisition, of goods and products produced in the United States. 2 C.F.R. § 200.322(a). The community college district must include this preference in all subawards, contracts, and purchase orders for work or products under Federal awards.

Contracting with Small, Minority, Women's, or Veteran-Owned Businesses

When possible, the community college district should consider small businesses, minority businesses, women's businesses, veteran-owned businesses, and labor surplus area firms. Consideration means:

- Including these businesses on solicitation lists
- Soliciting whenever deemed eligible as potential sources
- Dividing separate procurements and establishing delivery schedules to permit maximum participation
- Using organizations like the Small Business Administration and the Minority Business Development Agency of the Department of Commerce
- Requiring contractors under a federal award to apply these conditions to subcontracts

Prohibition on Certain Telecommunications Companies

The community college district must not procure, enter into a contract to procure, or extend or renew a contract to procure covered telecommunications and video surveillance equipment or services. 2 C.F.R. § 200.216(a). Covered telecommunications and video surveillance equipment or services are those produced by Huawei Technologies Company, ZTE Corporation, Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company, or any subsidiary or affiliate of such entities. 2 C.F.R. § 200.216(b). To meet this requirement, the community college district must check www.sam.gov to ensure the vendor is not excluded for this reason. See OMB 2 C.F.R. [Frequently Asked Questions](#), Q-47.

Never Contract with the Enemy Regulations

The community college district must comply with the regulations implementing Never Contract with the Enemy in 2 C.F.R. Part 183, prohibiting contracts, grants, and cooperative agreements that exceed \$50,000, are performed outside the U.S. and its territories, and are in support of a contingency operation in which members of the Armed Forces are actively engaged in hostilities. 2 C.F.R. § 200.215.

Recovered Materials

The community college district should, to the greatest extent practicable and consistent with law, purchase, acquire, or use products and services that can be reused, refurbished, or recycled; contain recycled content, are biobased, or are energy and water efficient; and are sustainable. This may include purchasing compostable items and other products and services that reduce the use of single-use plastic products.

Solicitation Language

The community college district must ensure that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. 2 C.F.R. § 200.318(d). Such description must not, in competitive procurements, contain features that unduly restrict competition. The description may include a statement of the qualitative nature of the material, product, or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible.

When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description of features may be used to provide procurement requirements. The specific features of the brand name must be clearly stated and identify all requirements that the offerors must fulfill and all other factors to be used in evaluating bids or proposals. 2 C.F.R. § 200.319(d)(1)-(2).

Federal Procurement System Standards

Avoiding Acquisition of Unnecessary or Duplicative Items

The community college district must avoid the acquisition of unnecessary or duplicative items. 2 C.F.R. § 200.318(d). Additionally, consideration is given to consolidating or breaking out procurements to obtain a more economical purchase. And, where appropriate, an analysis should be made between leasing and purchasing property or equipment to determine the most economical approach. These considerations are given as part of the process to determine the allowability of each purchase made with federal funds.

Use of Intergovernmental Agreements

When appropriate for the procurement or use of common or shared goods and services, the community college district is encouraged to enter into State and local intergovernmental agreements for procurement transactions. These or similar procurement arrangements using strategic sourcing may foster greater economy. Documented procurement actions of this type (using strategic sourcing, shared services, and other similar procurement arrangements) will meet the competition requirements of the UGG. Therefore, community college districts may benefit from other community

college districts that have gone through the competitive process and entered into an agreement with a vendor. As long as the procurement process complied with the UGG and was properly awarded to the vendor, other community college districts may utilize those agreements.

Use of Federal Excess and Surplus Property

The community college district must consider the use of federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs. 2 C.F.R. § 200.318(f).

Debarment and Suspension

The community college district must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. 2 C.F.R. Part 200, Appendix II and 2 C.F.R. §§ 180.220 and 180.300.

The community college district may not subcontract with or award subgrants to any person or company that is debarred or suspended.

Accordingly, for all contracts over \$25,000, the community college district must ensure this is met by either:

- a. Checking SAM at <http://www.sam.gov/>; or
- b. Collecting a certification from that person; or
- c. Adding a clause or condition to the covered transaction with that person.

Maintenance of Procurement Records

The community college district must maintain sufficient records to detail the history of all procurements. These records will include, but are not necessarily limited to, the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, the basis for the contract price (including a cost or price analysis), and verification that the contractor is not suspended or debarred.

Time and Materials Contracts

The community college district may use a time-and-materials type contract only (1) after a determination that no other contract is suitable; and (2) if the contract includes a ceiling price that the contractor exceeds at its own risk. Time-and-materials type contract means a contract whose cost to the community college district is the sum of: the actual costs of materials and direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the community college district must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

Pre-Procurement Documents

In accordance with 2 C.F.R. § 200.325, the community college district must make available upon request from ED or the Chancellor's Office all procurement documents for pre-procurement review, such as requests for proposals, invitations for bids, or independent cost estimates. The community college district must submit the technical specifications of proposed procurements when requested by ED or the Chancellor's Office entity.

Settlements of Issues Arising Out of Procurements

The community college district is responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the community college district of any contractual responsibilities under its contracts. The community college district must report violations of law to the local, state, or federal authority having proper jurisdiction.

Protest Procedures to Resolve Disputes

The community college district must maintain protest procedures to handle and resolve disputes relating to procurements and, in all instances, disclose information regarding the protest to ED.

Contract Administration

The community college district must maintain the following oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

Contract Provisions

In all federally-funded contracts, the community college district must include the required federal, State and local provisions, including the applicable provisions described in Appendix II to 2 C.F.R. Part 200 – Contract Provisions for the recipient or subrecipient's Contracts under Federal Awards. 2 C.F.R. § 200.327.

Conflict of Interest Requirements

Standards of Conduct

In accordance with 2 C.F.R. § 200.318(c)(1), the community college district must maintain the following standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts.

No employee, officer, agent, or board member may participate in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, board member, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

The officers, employees, board members, and agents of the community college district may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts, unless the gift is an unsolicited item of nominal value.

Project Directors should consult the community college district on any specific definitions of the above terms, such as “partner” or “nominal value.”

Mandatory Disclosure

Per 2 C.F.R. § 200.112, the community college district must disclose in writing any potential conflict of interest to ED or the Chancellor’s Office .

Also, the community college district must promptly disclose whenever it has credible evidence of the commission of a violation of federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations under Title 18 or the Civil False Claims Act (31 U.S.C. §§ 3729–33). Failure to report can result in remedies for noncompliance per 2 C.F.R. § 200.339. 2 C.F.R. § 200.113.

- Includes both criminal and civil false claims actions
- Must be made in writing to the ED, ED’s Office of Inspector General (OIG), and the Chancellor’s Office
- Also required to report matters to recipient integrity and performance (i.e., SAM and FAPIIS)
- Includes any activities or subawards in connection with the Federal award

Whistleblower protections

An employee of a community college district must not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in paragraph (a)(2) of 41 U.S.C. 4712 information that the employee reasonably believes is evidence of gross mismanagement of a Federal contract or grant, a gross waste of Federal funds, an abuse of authority relating to a Federal contract or grant, a substantial and

specific danger to public health or safety, or a violation of law, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract) or grant.

The community college district must inform its employees in writing of employee whistleblower rights and protections under 41 U.S.C. 4712. See statutory requirements for whistleblower protections at 10 U.S.C. 4701, 41 U.S.C. 4712, 41 U.S.C. 4304, and 10 U.S.C. 4310.

f. Perkins-Paid Inventory Management

Inventory Records

For equipment purchased with Perkins V funds (in part or in whole), the following information must be maintained:

- Serial number or other identification number;
- Source of funding for the property (including the federal award identification number);
- Who holds title;
- Acquisition date and cost of the property;
- Percentage of federal contribution towards the original purchase;
- Location, use and condition of the property; and
- Any ultimate disposition data, including the date of disposal and sale price of the property.

The community college district must maintain and *update* property records when there is a change in the status of the property.

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

Maintenance and Control System

In accordance with 2 C.F.R. § 200.313(d)(4), the community college district must maintain regular, adequate maintenance procedures to ensure that property is kept in good and proper working conditions.

The community college district must also maintain a control system that ensures adequate safeguards are in place to prevent loss, damage, or theft of the property. Any loss, damage, or theft of equipment must be investigated. The community college district must notify ED or the Chancellor's Office of any loss, damage, or theft of equipment that will have an impact on the program.

Use of Equipment

Equipment must be used in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the federal award. 2 C.F.R. § 200.313(c). The community college district must not encumber the property without prior approval of the ED and the Chancellor's Office . 2 C.F.R. § 200.313(a). When no longer needed for the original program or project, the equipment may be used in other activities supported by ED, in the following order of priority: (1) activities under a federal award from ED; then (2) activities under federal awards from other federal awarding agencies.

During the time equipment is used on the Perkins V, the equipment may also be made available for use on other projects or programs currently or previously supported by the federal government, provided that such use will not interfere with the work on Perkins V program. First preference for other use must be given to other programs or projects supported by ED. Second preference is given to programs or projects under federal awards from other federal awarding agencies. Use for non-federally funded programs or projects, such as Strong Workforce, is also permissible, provided such use will not interfere with the purpose for which it was originally acquired.

Disposal of Equipment

When it is determined that original or replacement equipment acquired under Perkins V is no longer needed for the program or for other activities currently or previously supported by a federal awarding agency, the community college district must contact ED or the Chancellor's Office for disposition instructions.

Generally, disposition of equipment is dependent on its fair market value (FMV) at the time of disposition. If the item has a current FMV of \$10,000 or less, it may be retained, sold, or otherwise disposed of with no further obligation to ED. If the item has a current FMV of more than \$10,000, ED is entitled, through the Chancellor's Office, to the federal share of the current market value or sales proceeds. The community college district may retain \$1,000 to cover expenses associated with the selling and handling of the equipment. 2 C.F.R. § 200.313(e)(2).

If acquiring replacement equipment, the community college district may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of replacement property.

When included in the terms and conditions of the Federal award, the ED may permit the community college district to retain equipment with no further obligation to the Federal Government unless prohibited by Federal statute or regulation.

Disposal of Supplies

Supplies are an allowable direct charge (2 C.F.R. § 200.453). Title to supplies acquired under the Federal award will vest upon acquisition in the community college district. If there is a residual inventory of unused supplies at the end of the period of performance exceeding \$10,000 in total aggregate value, and the supplies are not needed for any other Federal award, the community college district may retain or sell the supplies. Unused supplies that are no longer needed for the Perkins V program, or any other federal award are owed back to ED through the Chancellor's Office. The community college district must provide compensation in an amount calculated by multiplying the percentage of the ED contribution toward the cost of the original purchase(s) by the current market value or proceeds from the sale. The community college district may retain \$1,000 to cover expenses associated with the selling and handling of the equipment.

- Unused supplies means supplies that are in new condition, not having been used or opened before.
- The aggregate value of unused supplies consists of all supply types, not just like-item supplies.

g. Record Keeping

Record Retention

The community college district must maintain all records that fully show (1) the amount of funds under the grant or subgrant; (2) how the subgrantee uses those funds; (3) the total cost of each project; (4) the share of the total cost of each project provided from other sources; (5) other records to facilitate an effective audit; and (6) other records to show compliance with federal program requirements. 34 C.F.R. §§ 76.730-.731 and §§ 75.730-.731. The community college district must also maintain records of significant project experiences and results. 34 C.F.R. § 75.732. These records and accounts must be retained and made available for programmatic or financial audit.

ED is authorized to recover any federal funds misspent within five (5) years before the receipt of a program determination letter. 34 C.F.R. § 81.31(c). Consequently, the community college district must retain records for a minimum of five (5) years from the date on which the final Financial Expenditure Report is submitted, unless otherwise notified in writing to extend the retention period by ED, cognizant agency for audit, oversight agency for audit, or cognizant agency for indirect costs. However, if any litigation, claim, or audit is started before the expiration of the record retention period, the records should be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken. 2 C.F.R. § 200.334.

Collection and Transmission of Records

When practicable, the community college district must collect, transmit, and store Federal award information in an open file, non-licensed, and machine-readable format. The community college district may substitute electronic versions of original paper records through duplication or other forms of electronic conversion, provided that the procedures are subject to quality control reviews. Quality control reviews must ensure that electronic conversion procedures provide reasonable safeguards against alteration of records and assurance that records remain in a format readable by a computer system.

Access to Records

The community college district must provide ED, OIG, the Comptroller General of the United States, and the Chancellor's Office, or any of their authorized representatives, the right of access to any documents, papers, or other records which are pertinent to the Federal award to perform audits, execute visits, examinations, excerpts, other official use, and transcripts. The right also includes timely and reasonable access to the community college district's personnel for the purpose of interview and discussion related to such documents or the Federal award in general.

h. Payroll and Time Distribution

Time and Effort Standards

All employees who are paid in full or in part with federal funds must keep specific documents to demonstrate the amount of time they spent on grant activities. 2 C.F.R. § 200.430. These documents, known as time and effort records, are maintained in order to charge the costs of personnel compensation to federal grants.

Charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- Be supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- Be incorporated into official records;
- Reasonably reflect total activity for which the employee is compensated, not exceeding 100% of compensated activities;
- Encompass both federally assisted and all other activities compensated by the community college district on an integrated basis;
- Comply with the established accounting policies and practices of the community college district; and

- Support the distribution of the employee's salary or wages among specific activities or cost objectives.
 - Perkins V has three cost objectives: Administration (5%), Program (95%), and Reserve

Reconciliation Procedures

It is critical for payroll charges to match the actual distribution of time recorded on the monthly certification documents. Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to federal awards, but may be used for interim accounting purposes, provided that the system for establishing the estimates produces reasonable approximations of the activity actually performed.

XVI. Resources

- [2025 Monitoring and Technical Assistance Manual: California Postsecondary Strengthening Career and Technical Education for the 21st Century Act \(Perkins V\) \(PDF\)](#)
- [Chancellor's Office Federal Updates](#)
- [Committee Report on the Perkins V Act from the Senate Health, Education, Labor and Pensions \(HELP\) Committee \(PDF\)](#)
- [Compilation of the Carl D. Perkins Career and Technical Education Act of 2006, as amended by the Strengthening Career and Technical Education for the 21st Century Act \(PDF\)](#)
- [Federal Perkins V State Plan](#)
- [National Alliance for Partnerships in Equity \(NAPE\)](#)
- [Strengthening Career and Technical Education for the 21st Century Act \(PDF\)](#)
- [Vision Resource Center](#)
- [Workforce and Economic Development Division \(WEDD\) Memos](#)

XVII. Appendices

- Appendix A: Sample Headcount Report 1 and 2
- Appendix B: Sample Equipment Disposal Form
- Appendix C: Perkins Master Calendar

Note: This handbook is an iterative document and will be updated as needed to reflect changes in federal or state laws, regulations, and policies governing Perkins V programs. Project Directors should consult the most current version to ensure compliance with all applicable requirements.