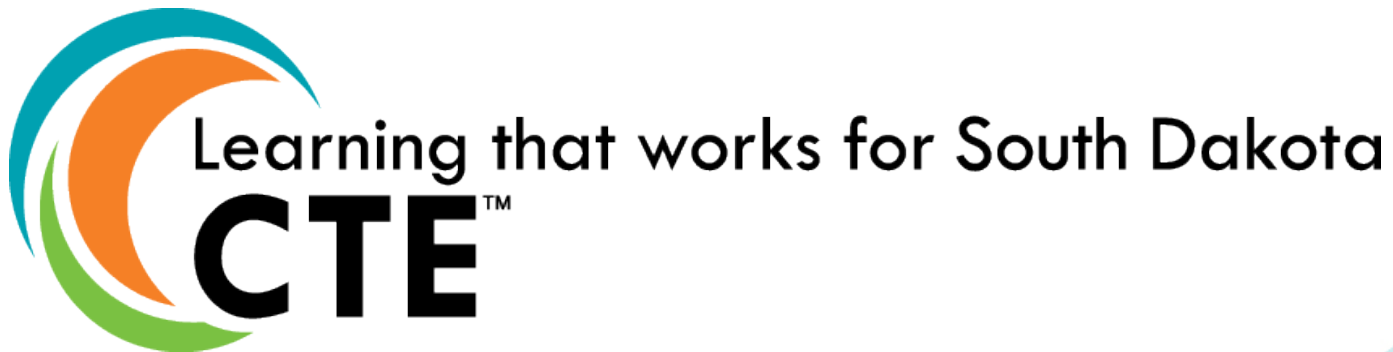


MUTUAL BENEFIT

November 2017



Announcements

- No December webinar
- No January webinar
 - Program Improvement Meetings:
 - January 22nd – Rapid City
 - January 23rd – Pierre
 - January 24th – Aberdeen
 - January 29th – Mitchell
 - January 30th – Sioux Falls
 - January 31st – Brookings
 - Questions – contact Kim Roth, kim.roth@state.sd.us or 280-6362



Eligible Recipient

Carl Perkins Act of 2006

SECTION 3. DEFINITIONS

(14) **Eligible Recipient.**— The term ‘eligible recipient’ means –

- (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, or a **consortium**, eligible to receive assistance under **section 131** (*Distribution of funds to secondary education programs*); or
- (B) an eligible institution or consortium of eligible institutions eligible to receive assistance under section 132 (*Distribution of funds to postsecondary education programs*).



Section 131 – Minimum Allocation

Carl Perkins Act of 2006

SECTION 131. DISTRIBUTION OF FUNDS TO SECONDARY EDUCATION PROGRAMS

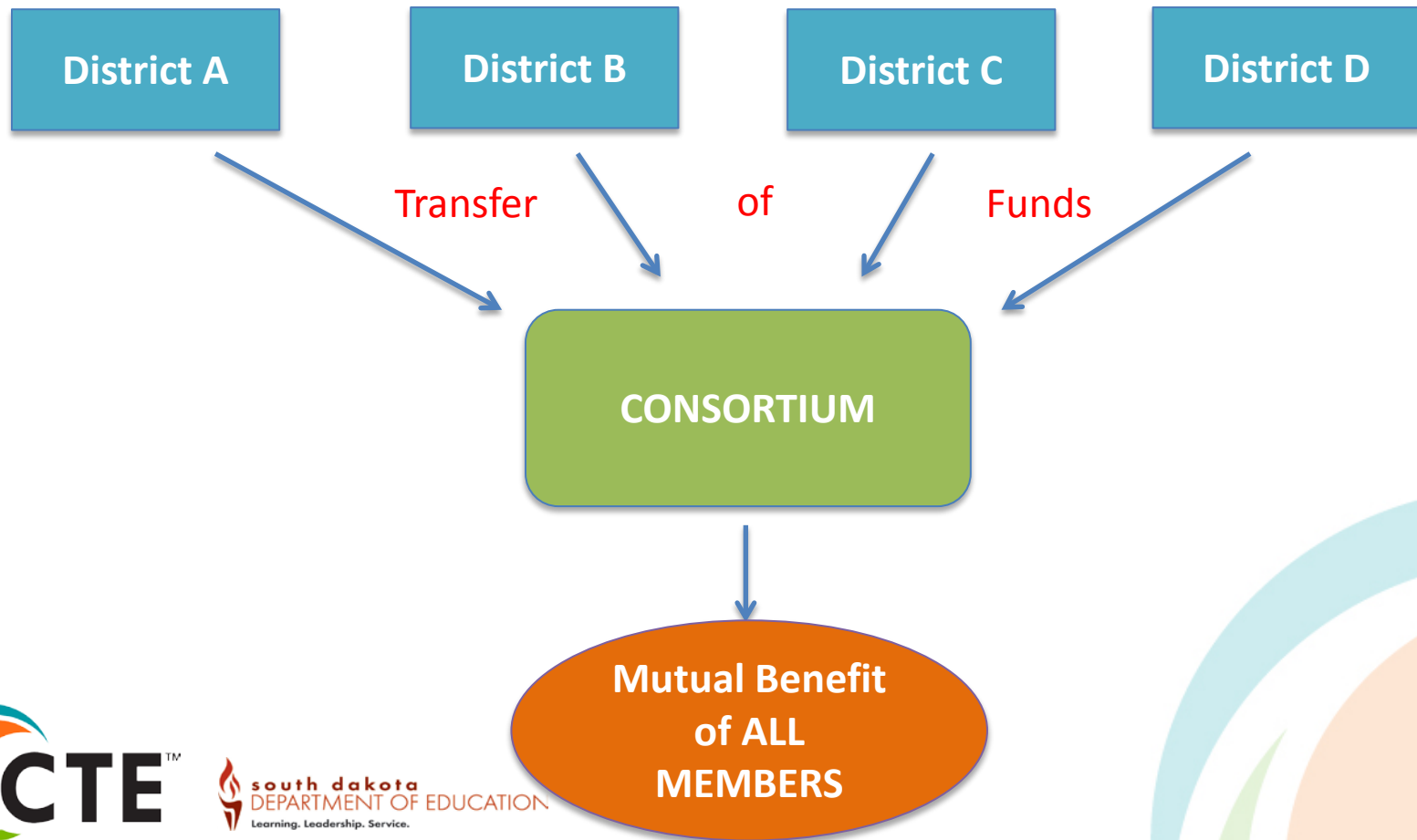
(c) Minimum Allocation.—

- (1) **In General.** – Except as provided in paragraph (2), a local educational agency shall not receive an allocation under subsection (a) unless the amount allocated to such agency under subsection (a) is greater than \$15,000. A local educational agency may enter into a consortium with other local educational agencies for purposes of meeting the minimum allocation requirement of this paragraph.
- (2) **Waiver.** – The eligible agency shall waive the application of paragraph (1) in any case in which the local educational agency –
 - (A) (i) is located in a rural, sparsely populated area; or
 - (B) (ii) is a public charter school operating secondary school career and technical education programs; and
 - (C) Demonstrates that the local educational agency is unable to enter into a consortium for purposes of providing activities under this part.



Funds to a Consortium

- Mutual Benefit



Funds to a Consortium

Carl Perkins Act of 2006

(f) Consortium Requirements.—

(2) **Funds to a Consortium.** – Funds allocated to a consortium formed to meet the requirements of this subsection **shall be used only for purposes and programs that are mutually beneficial to all members of the consortium** and can be used only for programs authorized under this title. Such funds **may not be reallocated to individual members** of the consortium for purposes or programs benefitting only 1 member of the consortium.



Consortium & Member Districts

- Consortium Board – representative from each member district
- Consortium Boards will meet to identify needs and prioritize based on Local Plan goals
 - Equipment, Non-capitalized equipment, materials
 - Professional Development
 - Career Development
- Board members will discuss and budget should be agreed by all members



Consortium FAQ

- Consortium FAQ document is located on DOE Perkins Act webpage:
<http://doe.sd.gov/octe/perkins.aspx>



This FAQ is intended to help answer some commonly asked questions regarding funding to Perkins consortia. If this document does not answer a question that you have, please contact the Division of Career & Technical Education for more information.

1. Why are there Perkins consortia?

The Perkins Act does not allow a local education agency (LEA) to receive an allocation unless the allocation is greater than \$15,000 [Perkins Act §131(c)]. An LEA with an allocation below the minimum of \$15,000 must join a consortium in order to meet program requirements [§135] and access mutual benefits provided by the consortium partnership [§131(f)].

2. How are Perkins funds allocated to a consortium?

The Perkins Act establishes a formula that is used to calculate an allocation for an LEA based on district population (ages 5-17) and population of students who are economically disadvantaged (ages 5-17)[§131(a)]. Districts that are members of a Perkins consortium transfer their districts allocations to the consortium in order to meet the minimum threshold to be eligible for Perkins funds [§131(c)].

3. Who determines how Perkins funds are allocated in a consortium?

The consortium membership must plan, set goals, and review the CTE needs of all the member districts within a consortium. Joint planning by all consortium members should result in the most effective use of funds for CTE and programs that are sufficient in size, scope, and quality to be effective. At a minimum, the use of consortium funds must be used only for purposes and programs that are mutually beneficial to all members of the consortium, reflect CTE program improvements, and enhance teaching and learning outcomes. [§131(f)]

4. How should funding decisions be determined?

The consortium should meet with all consortium members to discuss performance and areas of needed improvement across the districts in the consortium. Based on the performance and needs, the consortium members should create strategies and goals that will improve performance across the consortium. The consortium may support only approved CTE programs in the consortium. Funding decisions should be supported by the goals and strategies identified in the consortium's Perkins Local Plan, and result in program improvements. Funds must be used for mutual benefit of all consortium members. [§131(f), §134, §135]

5. If consortium members agree, can the consortium grant back or reallocate funds back to member districts in the amount of the district's Perkins allocation?

No, a consortium cannot reallocate funds back to members in the amounts of their original allocations or for purposes that are not mutually beneficial. The Perkins Act clearly prohibits this by a consortium [§131(f)(2)].

6. Can a single CTE program area or career pathway be funded in a particular year?

Yes, this is allowable if the consortium members agree in a determination that a single cluster program or cluster pathway is the best use of Perkins funds for that year. [§131(f)].

Example: If a consortium reviews the CTE performance data of all the schools in the consortium and determines that the funds should be focused on program improvement in the Architecture & Construction cluster, then all Architecture & Construction programs in the consortium must have the opportunity to participate. Funded expenditures could include sub pay for teachers while attending professional development, professional development costs, supplies and equipment for Architecture & Construction programs.

7. If consortium members agree, can the same entity receive the majority of funds year after year?

No, one entity cannot dominate funds year after year [§131(f)(2)].

Exception: Entities that have an area CTE school with open enrollment of students from other districts within the consortium, or multi-district cooperatives that provide CTE programs for students in member districts. The entity receiving students cannot be the decision making entity for Perkins funding as the decisions must be made by the consortium board.

8. If the consortium members agree, can funds be allocated solely to professional development in a given year?

Yes, the funds could be used solely for professional development needs in a given year [§131(f)].

9. Can equipment be purchased and shared by consortium members?

Yes, programmatically all items purchased with Perkins funds belong to the consortium. The consortium is required to keep an inventory for all items purchased by the consortium. Please note that in accordance to state auditing requirements,

all equipment must also be listed in the district member's capital assets and identified as an asset of the consortium. When the school receives the equipment, the item must be added to the asset list and when the equipment moves to the next district the record would then need to indicate that the item was given to another district which then must list the item in their assets. This process must be continued in order to document the asset, but also as an internal control.

10. What are some responsibilities of participating consortium members?

- Collaborate with the Fiscal Agent/Consortium Perkins Director and all member districts to determine joint needs and formulate budget proposals that address needs
- Each member LEA is legally responsible to carry out the activities it agrees to perform and use funds and items that it receives through the consortium in accordance with federal requirements that apply to the grant
- Each LEA will have one authorized representative participating on the consortium board

11. What are some responsibilities of consortium fiscal agent?

- Arrange consortium planning meetings
- Account for funds received and reimburse member districts for approved costs, and maintain all records
- Gather all required information including budget justifications and consortium agreements
- Submit the annual grant application and complete all reporting requirements on the behalf of the consortium
- The fiscal agent is responsible for the use of all grant funds and ensuring that the project is carried out by the consortium members in accordance with federal law
- The Perkins Director/fiscal agent agrees to assist member LEAs through regular communication and provide leadership for the implementation of the Perkins Local Plan

12. Who is responsible for maintaining fiscal records within the consortium, the fiscal agent or the individual schools within the consortium?

The fiscal agent must maintain all fiscal records of the consortium. It is recommended that member districts also retain budget records for costs incurred by the district. Documentation must be maintained by the fiscal agent to ensure that subgranting or reallocating of funds back to consortium members is not occurring.

13. Can the consortium fiscal agent charge administrative costs to the grant?

Yes, the Perkins Act has a maximum cap of 5% that can be taken on administrative costs and indirect costs combined. Administrative costs can be charged to the grant for grant management, administrative duties, record keeping, and program reports. Individuals who are paid from an indirect cost plan cannot charge time to the grant as their salaries come out of indirect costs. Time and effort documentation must be kept for all individuals who are paid salaries from the grant. Time and effort documentation must document time by cost objective and reflect 100% of a person's time.

14. If the goals and strategies of my consortium do not align with those of my district, can the district move to another consortium?

A request to change consortiums must be submitted to the DCTE by January 31st, prior to the grant year the change request will impact. Changes cannot be made during the middle of a grant year. DCTE will consult with the consortium the district proposes to leave to ensure that the change does not negatively impact the consortium's eligibility per Section 131 of the Perkins Act. DCTE will also consult with the consortium that the district proposes to join to confirm the consortium's acceptance of the new member district. If negative impacts are identified, DCTE will meet with the district to further discuss options.

15. What if our district leaves our current consortium?

- If your district does not meet the minimum allocation established by the Perkins Act, then the district must join another consortium.
- A district may apply for a waiver, but must be located in a rural area and demonstrate that the LEA is unable to enter into a consortium and that the LEA can provide programs that are sufficient in size, scope and quality. The LEA must also have the capacity to administer the grant and meet reporting requirements. Waiver requests are due to DCTE by January 31st.
- All Perkins inventory is owned by the consortium and must be returned to the consortium that the district is leaving.