



Idaho Department
of Education

Allowable Use of Funds

Stacie Rekow – Title I-A Coordinator
Michelle Perreira – Program Specialist



Better known as...

**Why can't I use Title funds to
buy t-shirts???**



Allowable Use of Funds

The “Why” of it all...

All federally funded activities must meet:

1. program specific requirements and guidance as outlined in ESEA, as amended by the Elementary and Secondary Education Act (ESSA)
2. the US Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200)
3. Idaho specific requirements and guidance

Is it *reasonable*?

Reasonable—Not excessive in costs and based on prudent and sound purchasing practices 2 C.F.R. § 200.404

- Does the cost seem reasonable in comparison to fair market prices for comparable goods or services?
- Does the expenditure help to target low-achieving students?
- Would a “prudent person” agree that the item is reasonable?
- Did the LEA follow its purchasing or procurement procedures?
- What example(s) could be provided to any auditor to document the cost as reasonable?

Is it *allocable*?

Allocable—Cost is incurred specifically for the benefit of the program, distributed proportionately, an allowable activity, and meets the program’s intent. 2 C.F.R. § 200.405

- Is the cost incurred specifically for the Title I, Part A program?
- Does the cost meet the intent of the Title I, Part A program?
 - **Districtwide program:** Does it help to provide children with significant opportunities to receive a fair, equitable, and high-quality education and to close educational achievement gaps?
 - **Schoolwide program:** Does it focus on improving achievement across the entire school, particularly for those lowest-achieving students? Is it tied to the schoolwide planning components?

Is it *allocable*? cont.

- **Targeted Assistance program:** Does it focus on improving achievement for those students identified for services?
- Does the cost support a required activity such as parent and family engagement or services to homeless students?
- If costs are shared with another program, is the Title I, Part A portion incurred proportionately?
- What example(s) could be provided to any auditor to document the cost as allocable?

Is it *necessary*?

NECESSARY—essential for carrying out the needs-based, Title I, Part A Program. 2 C.F.R. § 200.403(a)

- Could the cost be deemed necessary for the operation of a quality, efficient Title I, Part A program as outlined in the LEA's Title I, Part A application?
- Do staff have the capacity/knowledge to use what is being purchased? If not, what training will be provided?
- Is the need for the cost supported in the CFSGA or SWIP?
- What example(s) could be provided to any auditor to document the cost as necessary?

Turn and Talk

Would you consider the following example to be reasonable, allocable or necessary for Title I-A?

- Always Sunny LEA wants to purchase pogo sticks for all staff members to encourage student compassion when the staff members fall off the pogo sticks in the hallways during passing period.
- Always Your Best LEA wants to provide afterschool tutoring, with snacks, for students that are at C, or lower, for any core class. Transportation home will be provided by the school district for this *homework* club.

Supplemental

Does the cost meet the supplemental requirements of the program?

I-A provides ***supplemental*** funding to help low-achieving children served to meet the challenging State academic standards.

Remember, SNS applies to all Federal Programs

Allowable Uses of Funds

Allowable uses are listed, by program, in the Allowable Use of Funds Manual.

Example:

Eligible and Non-Eligible Expenditures for Title I-A

Line Item	Eligible Activities/Expenditures	Non-Eligible Activities/Expenditures
Program Administration Salaries	<ul style="list-style-type: none"> • Program Administrator/Grant Manager/Title I Coordinator (Title I portion of salary) • Data/Coordinator • Homeless Liaison 	<ul style="list-style-type: none"> • Entire salary unless the individual's entire responsibility is only Title I related



Allowable Use of Funds Manual



Idaho Department of Education Allowable Use of Funds Manual

Prohibitive Use of Funds under the Code of Federal Regulations (CFR), Part 200

The following items may be donated, but may not be purchased with grant funds:

- Gifts or items that appear to be gifts
- Souvenirs, memorabilia, or promotional items such as T-shirts, caps, tote bags, imprinted pens, and key chains (Title I-C does have some exceptions for this)
- Door prizes, movie tickets, gift certificates, passes to amusement parks, theme parks or arcades, etc. (Title I-C may have exceptions)



See appendix 5, page 65 in Allowable Use of Funds Manual for more items

Allowable Use of Funds Mentimeter Quiz

Go to
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Thank you!