

## CAREER AND TECHNICAL EDUCATION (CTE) EQUIPMENT GUIDELINES

1. Equipment is defined as follows (per USFR III-51):
  - a. Typically has a useful life of at least one year.
  - b. Typically repaired rather than replaced when worn or damaged.
  - c. An independent unit that retains its original shape, appearance and character with use and does not lose its identity through fabrication or incorporation into a different or more complex unit or substance.
2. Equipment with a unit cost of \$5,000 or more must be listed on the district's general fixed assets listing as it is considered capital equipment (USFR VI-E and 2 CFR 200.313). A district may select a lower threshold at which items must be listed as capital. Charter schools are subject to the provisions of the Uniform System of Financial Records for Arizona Charter Schools (USFRCS). Non-secondary public schools, such as universities and community colleges, must follow the equipment purchase and inventory guidelines set forth under state law for their institution.

Specialized equipment designated as capital may only be purchased for approved CTE programs at the high school (9-12 grade) or college level. No capital equipment may be purchased for CTE activities below the 9<sup>th</sup> grade.

Equipment under the \$5,000 threshold which meet the three minimum requirements above are considered equipment supplies (a stewardship list should be maintained for these items regardless of whether you use Perkins or CTE State Priority funding).

3. The acquisition, per item cost is to include actual costs, including ancillary charges necessary to put the assets in use. Ancillary costs include tax, freight charges, assembly and installation, and other incidental costs. Grant recipients are responsible for any infrastructure changes needed to utilize purchased equipment such as installation/modification of electrical wiring, telecommunications wiring, air ducts/venting etc...
4. Equipment must be logically related to, and necessary to, the occupation being taught. The primary use for the equipment purchased must be for CTE programs. Equipment that is loaned/shared with other school-based programs may do so if it does not interfere with the CTE program for which the equipment was originally purchased. Note: regular use by another school-based program will likely require cost sharing for the purchase of the equipment.
5. Eligible recipients will have available upon request requisitions, purchase orders and invoices for all CTE equipment purchases.
6. Equipment must be received and be operational in enough time to make an impact on current CTE programs operated by a grant recipient. Purchases of equipment would not be approved for CTE programs that are being discontinued.
7. All purchased equipment will have adequate insurance coverage.
8. Eligible recipients will have available upon request a physical inventory of CTE equipment. Grant recipients should update their capital equipment and equipment supplies listing at least annually for acquisitions and disposals.

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9. Property records of CTE capital equipment shall include the following:
  - Description of the Property
  - Serial/Identification Number
  - Source of Funding for the Property
  - Title Holder (if applicable)
  - Acquisition Date
  - Purchase Document Number (purchase order, voucher etc...)
  - Cost of the Property
  - Location of the Property
  - Use and Condition of the Property
  - Percentage of federal participation in an asset's costs (for capital items with a unit cost of \$5,000 or more purchased with federal funds).
  - Ultimate Disposition Information (date of disposal, sale price etc...)
10. Equipment supplies costing less than \$5,000 shall maintain a stewardship listing which includes the following:
  - Physical Location
  - Identification Number
  - Description of the Item
  - Acquisition Date
11. A control system must be developed to ensure adequate safeguards to prevent loss, damage or theft of the property. Any loss, damage or theft shall be investigated by the entity.
12. When acquiring replacement CTE equipment, the eligible recipient may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property.
13. Adequate maintenance procedures must be developed to keep property in good condition. Costs incurred for maintenance of equipment which neither add to the permanent value of the property nor appreciably prolong its intended life, but keep it in an efficient operating condition are allowable expenditures for Perkins funding (2 CFR 200.452).
14. Eligible recipients will show that proper procedures were followed when disposing of CTE equipment (2 CFR 200.439).
15. Approved equipment lists for CTE programs can be found on the ADE-CTE website. Any item not found on the list (or if a list does not exist for an approved program) must be approved by the appropriate CTE Program Specialist before the purchase can be made. It is strongly recommended that you contact the CTE Program Specialist in advance of submitting your grant(s) for any items not included on the approved equipment list.
16. No funds may be used to acquire equipment (including computer software) for any instance in which such acquisition results in a direct financial benefit to any organization representing the interests of the eligible recipient, the employees of the eligible recipient or any affiliate (§122(c)(12)).
17. Coding for equipment in the secondary grants will utilize the following object codes:

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Budget By Function Codes

View	Object Code	
<a href="#">View</a>	6100 - Salaries	
<a href="#">View</a>	6200 - Employee Benefits	
<a href="#">View</a>	6300 - Purchased Professional Services	
<a href="#">View</a>	6400 - Services	
<a href="#">View</a>	6500 - Other Purchased Services	
<a href="#">View</a>	6600 - Supplies	} In Application Narrative *Consumables
<a href="#">View</a>	6731 - Supplies (Under \$5,000)	
<a href="#">View</a>	6732 - Supplies (Under \$5,000)	} Equipment under \$5,000 but not a consumable.
<a href="#">View</a>	6734 - Supplies (Under \$5,000)	
<a href="#">View</a>	6735 - Supplies (Under \$5,000)	
<a href="#">View</a>	6737 - Supplies (Under \$5,000)	
<a href="#">View</a>	6738 - Supplies (Under \$5,000)	
<a href="#">View</a>	6733 - Capital (\$5,000 or Above)	} Equipment \$5,000 or more
<a href="#">View</a>	6736 - Capital (\$5,000 or Above)	
<a href="#">View</a>	6739 - Capital (\$5,000 or Above)	
<a href="#">View</a>	6800 - Other Expenses	
<a href="#">View</a>	6910 - Indirect Cost Recovery	
<a href="#">View</a>	0190 - Capital Outlay	} For Charter School Use

18. Equipment purchased with monies awarded for CTE must be used to support ongoing CTE programs. If a CTE program ends, the equipment must be used to support other ongoing, approved CTE programs. If an eligible recipient no longer offers CTE or the equipment is no longer needed by any of the eligible recipient's CTE programs, the state may request that the equipment be transferred to another eligible recipient. If the state elects not to request the equipment be transferred, then the eligible recipient may transfer or dispose of the equipment in accordance with their own policies, subject to the requirements of state law or federal law, depending upon the source of funds used to purchase the equipment.

19. In general, computing equipment (including, but not limited to laptops, desktops, monitors etc...) would not be an allowable grant expenditure for most CTE programs. There are a few programs that do require computing equipment with capabilities beyond the district "standard purchase" for like items and is an integral part of the CTE program. In this instance, the computing equipment would most likely be considered "specialized" and could be purchased with grant funds.

20. High School (9-12):

*Specialized Computing Equipment:* Grant funding may be used to purchase computing equipment deemed "specialized equipment" for the CTE program offered by the entity. Grant

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recipients will be asked whether the purchase is a new expenditure or a replacement of existing equipment (or an upgrade needed to support industry current software). If the expenditure for computing equipment is a replacement, then recipients must indicate how the equipment was paid for previously (potential supplanting if paid for out of CTE State Priority, CTED, Management & Operations or other state funding). It is expected that specialized computing equipment would not be utilized by students other than those enrolled in CTE.

*Credential Testing:* Grant funding can be utilized to create a credential testing lab for CTE students to earn industry recognized credentials. Grant recipients will be asked whether the purchase is a new expenditure or a replacement of existing equipment. If the expenditure for computing equipment is a replacement, then recipients must indicate how the equipment was paid for previously (potential supplanting if paid for out of CTE State Priority, CTED, Management & Operations or other state funding). The credential testing lab must be used primarily by CTE students. If the lab will be used by students outside of CTE for other educational purposes, then cost sharing for acquisition of the equipment must be pursued.

### 21. Below 9<sup>th</sup> Grade:

There are no “approved” CTE programs below the 9<sup>th</sup> grade—only career exploration. Capital equipment purchases will not be approved for activities below the 9<sup>th</sup> grade. The purchase of computing equipment supplies is also limited to career exploration programs only.

*Career Exploration Lab:* Grant recipients may purchase computing equipment to create a career exploration lab for use by students below the 9<sup>th</sup> grade (Perkins 5-8 grades, CTE State Priority 7-8 grades). Grant recipients will be asked whether the purchase is a new expenditure or a replacement of existing equipment. If the expenditure for computing equipment is a replacement, then recipients must indicate how the equipment was paid for previously (potential supplanting if paid for out of CTE State Priority, CTED, Management & Operations or other state funding). To be allowable, the career exploration lab must be used primarily by career exploration students. If the lab will be used by students outside of career exploration for other educational purposes, then cost sharing for acquisition of the equipment must be pursued.

*Other Specialized Equipment Supplies:* Grant recipients may purchase specialized equipment supplies to support their career exploration programs using both Perkins (5-8 grades) and CTE State Priority (7-8 grades). Entities that are administering middle school “CTE” courses may purchase specialized equipment supplies using only CTE State Priority funding (7-8 grades). All specialized equipment supply purchases are pending review and approval by the designated ADE Grant Program Specialist.