

# Arizona Industry Credential Incentive Fund Allowable and Unallowable Expenditures

## Allowable Expenditures by Activity

1. For instructional and professional development costs for a career & technical education teacher to become a certifying professional for an approved certificate, credential, or license:
  - Registration or cost of training
  - Travel
  - Substitute teachers to cover teachers attending instructional and professional development to become certified.
2. To offset the student costs of acquiring the actual certification, credential, or license including:
  - Testing vouchers from industry recognized external vendors
  - Reimbursement to student for credential cost
  - Costs of transportation to testing sites such as vans, buses, and bus passes.
3. For developmental costs related to creating, expanding, or improving an approved site of a certificate, credential or license for a career & technical program or course.
  - Remodel of a space (i.e., rewiring, plumbing, etc.)
4. For instructional supplies required for acquiring a certification, credential, or license:
  - Equipment
  - Hardware
  - Software
  - Supplies
  - Textbooks required to obtain the credential
5. For career exploration (any grade) and awareness activities for parents, students, and the community for the approved career & technical education sectors:
  - Printed materials
  - Space rental
  - Supplies
  - Media specific to the approved sectors

*Note: If a program moves off the CTE Credentials List, funds may be expended on it for 1 year following the removal.*

*Example: Film and TV was eligible in 2020-2021, but is not eligible 2021-2022. Funds may be used for Film and TV during the 2021-2022 school year.*

## Unallowable Expenditures

1. Advisory councils
2. Alcoholic beverages
3. Alumni/ae activities
4. Benefits
5. Commencement and convocation costs
6. Consumable supplies to be made into products to be sold or to be used personally by students, teachers, or other persons
7. Contingency or “petty cash” funds
8. Contributions and donations
9. Copyrights/patents
10. CPR
11. CTSO activities
12. Dues/memberships to professional organizations
13. Entertainment
14. Equipment and supplies for building maintenance
15. Equipment or supplies not used directly leading to eligible career technical education industry credentials for students.
16. Equipment solely for use by the, administrator or other staff members
17. Expenditures for non-approved CTE programs
18. First Aid
19. Fines and penalties
20. Fingerprinting
21. Food/drink
22. Gifts
23. Fundraising
24. Door prizes, etc.
25. Goods or services for personal use
26. Insurance/Self-Insurance
27. Interest and other financial costs
28. Items retained by student (supplies, clothing/uniform, tools, PDAs, calculators)
29. Lobbying and other political activities
30. Monetary awards
31. Non-instructional furniture (bookcases, drawers, file cabinets, lateral files)
32. Promotional materials (t-shirts, pens, cups, key chains, book bags)
33. Purchase or lease of vehicles including automobiles, trucks, buses, utility vehicles, airplanes, boats, tractors, and golf carts
34. Remedial courses (courses designed to provide instruction in reading, writing, and mathematics for students who have not acquired the basic academic skills necessary to succeed in general or in career and technical education courses)
35. Salaries or Stipends
36. Scholarships paid directly to students
37. Standard classroom furniture, files, and equipment not specific and unique to the instructional program (tables, chairs, desks)
38. Textbooks

## Basic Cost Principles

1. Reasonable and necessary (meaning that, for example, sound business practices were followed, and purchases were comparable to market prices);
  - A cost may be reasonable if the nature of the goods or services acquired, and the amount involved reflect the action that a prudent person would have taken under the circumstances prevailing at the time the decision to incur the cost was made.
2. Allocable to the State award (meaning that the state program, in this case the *Arizona Industry Credentials Incentive Program*, derived a benefit in proportion to the funds charged to the program.
3. Legal under state and local law;
4. Properly documented (and accounted for on a consistent basis with generally accepted accounting principles);
5. Consistent with the provisions of the grant program (Arizona Revised Statutes 15-249.15. Arizona industry credentials incentive program); and
6. Not used for cost-sharing or matching any other grant agreement.