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## SUPPLEMENTING VERSUS SUPPLANTING

Funding provided under the Perkins Act shall supplement (increase the level of services) and not supplant (take the place of) state, local, and other federal funds. Awarded Applicants shall not use Perkins funds to supplant funds that, in the absence of Perkins funds, would have been spent on career and technical education (CTE) students.

Federal funds cannot be used to pay for services, staff, programs, or materials that would otherwise be paid with state or local funds.

Any program or activity required by State law or local board policy may not be paid with Perkins funds. State or local funds may not be decreased or diverted for other uses merely because of the availability of Perkins funds. Awarded Applicant shall maintain documentation that clearly demonstrates the supplementary nature of Perkins funds.

### Presumption of supplanting

An Awarded Applicant may be considered in noncompliance with the supplement-not-supplant requirement if Perkins funds are used to provide services that the Awarded Applicant is required to provide under State or local law, rule, or a court order. Also, Awarded Applicant could be considered in noncompliance for any cost to Perkins funds for any service that was previously funded with State or local funds.

If a program or activity cost was funded with non-federal funds in one year and with Perkins funds the next year, an auditor would most likely make a presumption of supplanting. However, the Awarded Applicant then has the opportunity to rebut the presumption. In view of the current reductions in state appropriations and local tax revenues, an Awarded Applicant may be justified in funding the cost with Perkins funds.

For a decision to allocate Perkins funds in this way, the Awarded Applicant should have two types of documented evidence that supports its action:

- Evidence of an actual reduction in state and/or local support and/or other non-federal support. Examples of such evidence are state appropriation language or a communication from the Coordinating Board regarding a reduction in state funding. There may be similar examples relating to reduced funding from local or private sources.
- Proof that the activity/program would be discontinued without the benefit of Perkins funds. Examples of this type of evidence might be minutes from a meeting called by the college president or minutes from a faculty meeting.

The Awarded Applicant should have proper evidence in place before taking this kind of action. The Office of Career and Technical Education (OCTE) may request copies of the documented evidence (as described above) prior to approving a budget amendment that would reallocate Perkins funds to an activity or program previously funded by non-federal funds.