

# GEAR UP Maine Funding Guidelines

## Updated August, 2020

The federal government has established controls over grant projects to ensure the proper use of public funds.

The intent of this document is to provide guidelines for the Maine GEAR UP schools as you prepare your College Access Team plans and budgets.

GEAR UP funds may be used to pay for activities that support the Maine GEAR UP goal and objectives. To help you decide if costs are allowable or not, ask these questions:

***Is the expense:***

- Allowable and necessary to implement the program?
- Reasonable? (Think: Newspaper Headline!)
- Allocable to program objectives?

Funds may be used to support activities for ***eligible GEAR UP students only***. To determine which students are eligible for GEAR UP in your school, please refer to the [GEAR UP Maine Service Model information sheet](#). **We encourage districts to be intentional in targeting funds to move their college access plans forward toward sustainability of the district CAT legacy beyond the grant.**

You may elect to serve additional students by including them in GEAR UP activities, but GEAR UP funds may not cover costs for those additional, non-program eligible students.

**\*\*For expenses of \$5,000 or more, districts MUST receive prior approval from the GEAR UP Maine Director and the GEAR UP Maine Fiscal Manager at UMF. This includes out of state trips, professional development, contracted services, and per unit materials.**

**Classroom Materials:** You may purchase classroom materials with GEAR UP funds proportionate to the number of eligible GEAR UP students in the class.

**College Prep Tests:** GEAR UP eligible students are eligible for waivers of test fees, so in most cases there will be no cost to testing GEAR UP eligible students.

**Property of GEAR UP:** All supplies and materials purchased with GEAR UP funds are the property of the Maine GEAR UP program. They must be used exclusively to serve eligible GEAR UP students and remain with the program through the end of the grant.

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The following information should help you determine whether your program expenses are allowable or not and some guidelines for budgeting purposes.

## **Common GEAR UP Allowable Costs**

**Advertising and Public Relations Costs:** For GEAR UP, reasonable advertising costs are allowable when:

(1) Recruiting and advertising for vacant GEAR UP staff positions in a manner that is acceptable and standard for the hiring entity. (2) You are communicating with the public and press pertaining to specific activities or accomplishments which result from your grant performance (3) You are conducting general liaison with news media and government public relations officers, to the extent that such activities are limited to communication and liaison necessary to keep the public informed on matters of public concern.

**Commencement and Convocation Costs:** For education institutions, costs associated with commencement and convocations are disallowed, but costs associated with GEAR UP activities that take place during commencement events may be allowable under student activity costs if approved as part of your grant agreement.

**Communication Costs:** Costs incurred for telephone services, local and long distance telephone calls, telegrams, postage, messenger, electronic or computer transmittal services and the like are allowable.

**Compensation (Salaries, Wages and Fringe Benefits):** Personnel costs such as salaries, wages and fringe benefits are allowable to the extent that the total compensation to individual employees conforms to the established policies of the institution and are consistently applied. Fringe benefits costs should be in line with institutional policies regarding: annual leave, sick

leave, military leave, and employer contributions or expenses for social security, employee insurance, workmen's compensation insurance, and tuition or remission of tuition for individual employees.

**Consultants and Contracts:** Costs associated with consultants are allowable if there is a need for the services and the grantee cannot meet that need by using an employee, GEAR UP Maine staff member or partner. **GEAR UP Maine encourages districts to be sure that motivational speakers and/or consultants are essential to carrying out the college access plan objectives and address the district CAT legacy and are pre-approved by the Regional Facilitator and Project Director. Whenever possible, these events should be embedded in a strategy that includes pre and post activities that reinforce the information from the event.**

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**Memberships, Subscriptions and Professional Activity Costs:** Costs associated with memberships in business, technical, and professional organizations are allowable. In addition, subscriptions to business, professional, and technical periodicals are allowable.

**Meetings and Conferences:** Costs of meetings and conferences, the primary purpose of which is the dissemination of technical information, are allowable. This includes costs of meals, transportation, rental of facilities, speakers' fees, and other items incidental to such meetings or conferences. Be aware of restrictions pertaining to entertainment costs (in the [Unallowable Costs](#) section below.)

**Examples:**

- A school travels with 30 students to a GEAR UP sponsored college visit from 8am to 2pm. Allowable cost would include a lunch at around \$12 per student.
- A school group travels with 50 students out of state for a GEAR UP sponsored trip. They leave early in the morning with an overnight stay at a hotel and arrive home at 3pm following day. Allowable costs would include the purchase of all meals on day one and two meals-- breakfast and lunch-- in day two.
- Three district college access team members attend a conference focused on poverty that is in-state and does not require an overnight stay. This takes place on a regular school day. The conference starts at 9 am and ends at 3 pm. Allowable costs include the cost of the conference registration (if this was in the district college access plan), breakfast and/or lunch if these meals are NOT included in the conference registration, mileage, and the cost of substitutes, if needed. A stipend or per diem to pay the college access team members is NOT allowed if the members are employees who are being paid for their time.

**Publications and Printing:** Publication costs—including the costs of printing, distribution, promotion, mailing, and general handling—are allowable federal costs if they are allocable to project objectives. If not, any publications or printing should be paid for by institutional or indirect funds.

**Supplies:** Costs incurred for supplies to carry out the grant are allowable. Supplies have a per-unit cost of less than \$5,000.

**Travel Costs:** Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of the institution. ***Travel outside of the United States (including Canada) is not an allowable cost for GEAR UP grants.***

Travel costs also may be incurred in relation to local events for students, parents or professionals participating in programs authorized by the GEAR UP statute. Tips are an allowable expense of up to 20% per transaction. GEAR UP Maine mileage rate is based on the current University of Maine rate at \$.44 per mile.

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## Unallowable Costs

**Alcoholic Beverages:** Unallowable

**Capital Improvement Expenses:** Capital expenditures for general purpose equipment, buildings, and land are unallowable as direct charges, except where approved in advance by the awarding agency.

For expenses of \$5,000 or more, districts MUST receive prior approval from the GEAR UP Maine Director and the University of Maine, Farmington. This includes out of state trips, professional development, contracted services, and per unit materials.

**Donations and Contributions:** Contributions or donations (including cash, property, and

services) are unallowable costs.

**Entertainment Costs:** Costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such activities (such as tickets to shows or sports events, recreational activities such as swimming, meals, lodging, rentals, transportation and gratuities) are **unallowable**.

- **Examples:**

- *A school group from central Maine visits four postsecondary campuses in Aroostook County. The trip is paid for out of district GEAR UP funds-- transportation, meals and lodging for one night. On the way home, the group decides to attend the Acadian Festival. This is an allowable cost since the focus of this event is on the Acadian culture, including a re-enactment of the first Acadian Landing in Northern Maine, traditional Acadian supper, and cultural displays.*
- *A school group from Down East Maine visits four postsecondary campuses in Southern Maine. The trip is paid for out of district GEAR UP funds-- transportation, meals and lodging for one night. On the way home, the group attends a Red Claws game. This is an UNALLOWABLE GEAR UP cost since this is considered entertainment.*

**Equipment:** Equipment, for GEAR UP accounting purposes, has a per-unit cost equal to or greater than \$5,000. The GEAR UP Maine Grant does not allow districts to purchase equipment using GEAR UP funds.

**Foreign Travel:** GEAR UP funds cannot be used to fund any international travel. Therefore, grant funds cannot be used to pay for travel to Canada.

**Fund Raising:** Costs of organized fund raising are not allowed.

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**Gift Cards:** GEAR UP Maine funds cannot be used to purchase any gift cards.

**Goods or Services for Personal Use:** Costs of goods or services for personal use are unallowable regardless of whether the cost is reported as taxable income to the employees.

**Scholarships:** GEAR UP Maine funds cannot be used for student scholarships.

**Sports Camps:** GEAR UP Maine funds cannot be used to support costs incurred for athletic camps, even when held on a college campus.

**Stipends for Students:** Students cannot be paid out of GEAR UP funds.

**Student Activity Costs:** Costs incurred for intramural activities, student publications, student clubs, and other student activities, are unallowable.

## Examples of Approved Expenditure Amounts

*Please discuss any questions regarding expenditures with your Regional Facilitator. Meals must appear as a working breakfast, lunch or dinner on the agenda for the event and be submitted with the invoice for reimbursement.*

Description Amount Purpose

Clothing items for such as tee shirts, hats, scarves, bags with GEAR UP/College Access message. Clothing MUST have a GEAR UP Maine logo.

For any clothing items for adults (shirts, jackets, hats, etc.) MUST be approved by the Regional Facilitator and Project Director. Items exceeding \$20.00 per item guideline MUST also be pre-approved by the Regional Facilitator and Project Director. We recommend that districts seek partners to support in-kind donations or reduced cost for these types of items. Ask yourself: If we buy this, what is the intended outcome? How does it support our GEAR UP legacy?

Students, staff, chaperones to wear on field trips, school events, special programs, community service and other events to promote GEAR UP, college access, and safety on field trips. GEAR UP Maine funds intended for the purchase for any clothing items for adults (shirts, jackets, hats, etc.) MUST be pre-approved by the Regional Facilitator and Project Director. Items exceeding the \$20.00 per item guideline MUST also be pre-approved by the Regional Facilitator and Project Director. We recommend that districts seek partners to support in-kind donations or reduced cost for these types of items. Ask yourself: If we buy this, what is the intended outcome? How does it support our GEAR UP legacy?

Pens, pencils, bumper stickers, magnets, etc with GEAR UP/College Access message  
Tokens for parents, family members or partners

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Coffee mugs, cups, water bottles with GEAR UP/College Access message  
Tokens for parents, family members or partners

Decorations for events Up to \$25 per event For GEAR UP Maine events only (eg student recognition event)

Meals Up to \$7.00 per

person for breakfast; Up to \$12.00 per lunch or dinner. Meals must be part of the working agenda for the event.

Meals with GEAR UP structured activities such as college tours, field trips, family nights or advisory meetings where the participants are receiving GEAR UP information.

Refreshments/Snacks Up to \$5.00 per person

Food and beverages may be offered to students and families only in

Food and beverages may be offered to students and families only in conjunction with GEAR UP structured activities such as college tours, field trips, parent nights, advisory meetings where the participants are receiving

on the High School costs, Individual student camps on a college college placement tests classes, online classes for credit retrieval, AP tests, Running Start or on the High School costs, Individual student camps on a college college placement tests

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Student classes, camps, college credit

GEAR UP that have

Guest speakers Pre-approval with

the GEAR UP Regional Facilitator and Project Director.

career planning and preparation or motivational speakers. GEAR UP encourages districts to be sure that motivational speakers and/or events are essential to carrying out the college access plan objectives and the district CAT legacy and are pre-approved by the Regional Director and Project Director. Whenever possible, these events should be included in a strategy that includes pre and post activities that reinforce the focus on from the event.

College classes, online classes for credit retrieval, AP tests, Running Start or

## GEAR UP Maine Regulations

GEAR UP is subject to a number of regulatory sources. The following list provides a brief description of each of the major policy sources.

### Uniform Guidance

“To deliver on the promise of a 21st-Century government that is more efficient, effective and transparent, the Office of Management and Budget (OMB) is streamlining the Federal government’s guidance on Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards. These modifications are a key component of a larger Federal effort to more effectively focus Federal resources on improving performance and outcomes while ensuring the financial integrity of taxpayer dollars in partnership with non-Federal stakeholders. This guidance provides a governmentwide framework for grants management which will be complemented by additional efforts to strengthen program outcomes through innovative and effective use of grant-making models, performance metrics, and evaluation. This reform of OMB guidance will reduce administrative burden for non-Federal entities receiving Federal awards while reducing the risk of waste, fraud and abuse.”

<https://www.federalregister.gov/articles/2013/12/26/2013-30465/uniform-administrative-requirements-cost-principles-and-audit-requirements-for-federal-awards>

EDGAR

The Education Department General Administrative Regulations (EDGAR) set broad administrative policies that impact nearly all grant programs funded at the USDOE. The regulations are published in Title 34 of the Code of Federal Regulations (CFR). The pertinent sections of EDGAR to your grant administration are 34 CFR parts 74, 75, 77, 79, 80, 81, 82, 84, 85, 86, 97, 98 and 99.

<http://www.ed.gov/policy/fund/reg/edgarReg/edgar.html>

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### **GEAR UP Program Regulations**

The GEAR UP program regulations address the very unique administrative matters associated with GEAR UP. GEAR UP program regulations are published in 34 CFR parts 694.

<http://www.ed.gov/policy/highered/leg/hea98/sec403.html>

### **OMB Circulars**

The circulars are developed by the Office of Management and Budget (OMB) and provide 26 federal agencies with instructions and guidance on a wide variety of administrative issues of interest to the executive branch. As guidance documents, they tend to be revised every few years. The OMB Circulars will affect your day-to-day decision-making because EDGAR cites specific OMB Circulars as regulation. Thus, much of the discussions in the grant administration world will revolve around the circulars, as they define cost principles and administrative and audit requirements. Common circulars are organized by their purpose and audience and are addressed by their circular number (e.g. OMB A-21).

[https://www.whitehouse.gov/omb/circulars\\_default](https://www.whitehouse.gov/omb/circulars_default)



