



ALLOWABLE COST GUIDE

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Federal Agency	U.S. Department of Education
State Entity (Charter School Support Organization)	Northeast Charter School Network
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Introduction

In September 2022 the Northeast Charter Schools Network (NECSN) was awarded \$24.5 million for the Great Schools for Connecticut (GSCT) Project by the U.S. Department of Education (Department) under the FY 2022 Charter Schools Program (CSP) State Entities Grants Program. The grant is administered by the Connecticut Charter School Association (CTCSA), a membership organization, and the statewide advocacy voice for Connecticut's public charter schools and the students they educate. The CSP Grants to State Entities program (CFDA number 84.282A) is a competitive grant program that enables State entities to award subgrants to eligible applicants in their State to open and prepare for the operation of new charter schools and to replicate and expand high-quality charter schools.

Purpose of the Allowable Cost Guide

This document seeks to provide guidance and clarification for allowable expenditures for reimbursement under the CSP grant. The purpose of CSP funding is to provide financial assistance for the planning, program design, and initial implementation of charter schools. Grant funds are intended to supplement, not supplant, state or local funds.

Federal non-regulatory guidance states "If the charter school can show that the state or local funds it has received are necessary to meet expenses other than the one at issue, then the charter school has met its burden of showing that the "other initial operations costs" cannot be met from state or local sources and, therefore, is allowable under the CSP grant." Costs incurred must be one-time in nature, obligated during the grant project period, related to a grant objective, and may not include ongoing operational costs.

The information provided in this cost guide is NOT comprehensive but seeks to provide guidance to support CSP applicants and sub-recipient schools in planning and preparing budgets with the greatest impact on meeting CSP program goals. All costs are determined under the guidance of 2 C.F.R. Part 200, Subpart E and ESEA Section 4303. Under [§4303\(b\)\(1\)](#) of ESEA, CSP funding is intended to enable subgrantees to:

1. open and prepare for the operation of new charter schools;
2. open and prepare for the operation of replicated high-quality charter schools; or
3. expand high-quality charter schools.

Under [ESEA §4303\(h\) Local Use of Funds](#) an eligible applicant receiving a subgrant under this section shall use such funds to support the activities above, by deploying CSP funding on one or more of the following activities:

1. Preparing teachers, school leaders, and specialized instructional support personnel, including through paying the costs associated with—
 1. providing professional development; and
 2. hiring and compensating, during the eligible applicant's planning period specified in the application for subgrant funds that is required under this section, one or more of the following:
 - (i) Teachers.
 - (ii) School leaders.
 - (iii) Specialized instructional support personnel.

2. Acquiring supplies, training, equipment (including technology), and educational materials (including developing and acquiring instructional materials).
3. Carrying out necessary renovations to ensure that a new school building complies with applicable statutes and regulations, and minor facilities repairs (excluding construction).
4. Providing one-time, startup costs associated with providing transportation to students to and from the charter school.
5. Carrying out community engagement activities, which may include paying the cost of student and staff recruitment.
6. Providing for other appropriate, non-sustained costs related to the activities described in ESEA [§4303\(b\)\(1\)](#) when such costs cannot be met from other sources.

How to Use this Guide

General principles to keep in mind are that expenditures must be aligned with approved budget items. All budget items must be aligned to the project narrative, necessary to the completion of the grant objectives, and supported with justification for reimbursement. Required justification may require upfront planning and tracking and should be addressed prior to spending any approved funds. Reimbursement of costs is contingent upon allowability and is not guaranteed if a cost does not meet CSP program requirements. To ensure sufficient detail is included when drafting a budget, provide the who, what, where, why, and when information in the required CSP budget narrative in your grant application. Any changes from the approved budget and project narrative require prior approval from the GSCT team (see Appendix 1: Budget Amendment Process).

All requested budget items must be necessary, [allowable](#), and [allocable](#) (as defined in [Uniform Guidance](#) (2 CFR 200 §200.403, 200.404, and 200.405), with general criteria listed below and specific examples provided in Tables 1, 2, and 3 of this guide. The items listed in this guide are not exhaustive and if an item is not listed, contact the GSCT team to determine if a cost is allowable within the program, or if you have questions about a specific cost item. Email is the preferred method of communication; queries may be directed here: csp@ctcharters.org or cspfinance@cspcharters.org.

GSCT is a reimbursement-based grant program. All submitted expenses must, at minimum, be supported with a purchase order or invoice and proof of payment (refer to the [Monitoring Guide](#) and [Monitoring Rubric Sheet](#) for further Fiscal Compliance requirements and details). All expenditures must follow the sub-recipient board approved procurement requirements, and these must be compliant with §200.320 to 200.327 of C.F.R. Part 200 and aligned with state and federal laws and guidance. All policies and procedures must apply uniformly to both federally financed and other activities of the non-Federal entity and be clearly documented. All requested reimbursements MUST be part of the approved budget. Expenditures made prior to approval of a final budget or budget amendment will not be eligible for reimbursement¹. Any purchase above the school's capital policy will be considered equipment purchases.

Definitions of Allowable, Reasonable Allocable Expenses from Uniform Guidance.

Allowable: [Uniform Guidance](#) - §200.403 Except where otherwise authorized by statute, costs must meet the following general criteria to be allowable under Federal awards:

¹ See FAQ (Appendix 2) for further details

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).
- (g) Be adequately documented. See also §200.300 Statutory and national policy requirements through 200.346 Collection of amounts due in [Uniform Guidance](#).

Reasonable: Under Uniform Guidance - §200.404 A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. The question of reasonableness is particularly important when the non-Federal entity is predominantly federally funded. In determining reasonableness of a given cost, consideration must be given to:

- (a) Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the non-Federal entity or the proper and efficient performance of the Federal award.
- (b) The restraints or requirements imposed by such factors as: sound business practices; arm's-length bargaining; Federal, state, local, tribal, and other laws and regulations; and terms and conditions of the Federal award.
- (c) Market prices for comparable goods or services for the geographic area.

Allocable:

(a) A cost is allocable to a particular Federal award or other cost objective if the goods or services involved are chargeable or assignable to that Federal award or cost objective in accordance with relative benefits received. This standard is met if the cost:

- (1) Is incurred specifically for the Federal award;
- (2) Benefits both the Federal award and other work of the non-Federal entity and can be distributed in proportions that may be approximated using reasonable methods; and

(3) Is necessary to the overall operation of the non-Federal entity and is assignable in part to the Federal award in accordance with the principles in this subpart.

(b) All activities which benefit from the non-Federal entity's indirect facilities and administrative (F&A) costs, including unallowable activities and donated services by the non-Federal entity or third parties, will receive an appropriate allocation of indirect costs.

(c) Any cost allocable to a particular Federal award under the principles provided for in this part may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by Federal statutes, regulations, or terms and conditions of the Federal awards, or for other reasons. However, this prohibition would not preclude the non-Federal entity from shifting costs that are allowable under two or more Federal awards in accordance with existing Federal statutes, regulations, or the terms and conditions of the Federal awards.

(d) Direct cost allocation principles: If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit. If a cost benefits two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, then, notwithstanding paragraph (c) of this section, the costs may be allocated or transferred to benefitted projects on any reasonable documented basis. Where the purchase of equipment or other capital asset is specifically authorized under a Federal award, the costs are assignable to the Federal award regardless of the use that may be made of the equipment or other capital asset involved when no longer needed for the purpose for which it was originally required. See also §§ 200.310 through 200.316 and 200.439.

(e) If the contract is subject to CAS, costs must be allocated to the contract pursuant to the Cost Accounting Standards. To the extent that CAS is applicable, the allocation of costs in accordance with CAS takes precedence over the allocation provisions in this part.

The following are additional resources for federal guidance pertaining to allowable costs under the CSP program:

- [Every Student Succeeds Act](#)
- [Charter Schools Program Nonregulatory Guidance \(updated January 2014\)](#)
- [Uniform Guidance \(2CFR 200\)](#)

Types of Allowable Costs

Allowable costs are organized into three categories:

1. Direct Instruction (Classroom Level),
2. Instructional (School Level), and
3. Overall School Operations.

There are specific expenditure items, provided below, within each category, including a brief purpose and description, CSP phase eligibility, and suggested adequate justification for reimbursement. Some costs are never allowable within the CSP grant program. A list of unallowable costs is included at the end of this guide.

Subgrantees requesting funding to open a new school should note that the planning period is the time between the grant award and up to the first day of school and can be no longer than 18 months. The implementation period begins no sooner than the first day of school. Sub-recipients should reference their grant award letter for specific time periods. Schools may purchase supplies and materials, technology, furniture etc. designated for implementation within a reasonable time period (e.g. 90 days) before the first day of school. All items must be clearly designated in the school's implementation budget. Whether a cost is allowable in the Planning or Implementation phase (or both) is noted as: PLAN, IMP, or BOTH.

1. Direct Instruction (Classroom Level)
 - Focuses on providing a learning environment appropriate to age-level and the academic model of instruction.
 - Ensures adequate resources are available to meet the needs of all students with specific focus on supplies.
2. Instructional Support (School Level)
 - Focuses on providing a learning environment supporting all learners at their level of academic mastery.
 - May include staffing resources, supplemental materials, etc.
3. Overall School Operations
 - Focuses on implementation of an infrastructure supportive of the academic model.
 - May include equipment, software, and other technology supporting the collection and analysis of data.

Allowable Cost Considerations

Costs incurred must be one-time in nature, obligated during the grant project period, related to a grant objective, and **may not include ongoing operational costs**. While there are short-term exceptions to operational expenses as noted in specific categories within this cost guide, key considerations to determine eligibility and best investment of funds include:

1. Is the expense recurring and required to operate the school beyond the life of the grant²?
 - a. If YES, the expense is generally not allowable.
 - b. If NO, move to Question #2.
2. Does the expenditure directly support the approved grant objectives?
 - a. If YES, the expense is allowable.
 - b. If NO, additional investment opportunities should be considered.

Table 1: Allowable Costs – Direct Instruction (Classroom Level)

Account Title	Purpose/ Description	Notes	Allowable Phase
Furniture - Fixtures and	• Non-computer hardware for instructional use.	• Can be used for equipment for special classes: teaching clocks,	PLAN / IMP

² Costs that can become recurring can be operationalized as startup costs by limiting the cost to a reasonable initial period with justification of why the cost cannot be currently met from other sources but will be in the future.

Classroom Equipment	<ul style="list-style-type: none"> Durable goods with a reasonable life expectancy of over a year. May also include durable instructional equipment for special classes. <p>EXAMPLES: Projectors, screens, document cameras, audio amplification, musical instruments, PE equipment, etc.</p>	<ul style="list-style-type: none"> microscopes, musical instruments, physical education equipment. Evidence of meeting all procurement requirements and description of alignment to instructional model may be required in addition to financial documentation. 	
Furniture - Fixtures and Equipment	<ul style="list-style-type: none"> Classroom furniture <p>EXAMPLES: Desks, chairs, tables, bookshelves.</p>	<ul style="list-style-type: none"> Can be used for furniture for special classes: science tables, art stools. Evidence of meeting all procurement requirements and description of alignment to instructional model may be required in addition to financial documentation. 	PLAN / IMP
Computer Hardware - Classroom Level Technology	<ul style="list-style-type: none"> Electronic devices capable of reading, processing, and executing software programs. <p>EXAMPLES: Laptops, desktops, tablets, servers, wireless access points, charging carts, and classroom-level printers.</p>	<ul style="list-style-type: none"> Costs may not include monthly service fees or ongoing license fees/renewals. Subscription and license fees are allowable for software purchases. Classroom level technology must align with the academic model. Purchases may not exceed reasonable quantities for the proposed student population. Schools may not purchase items in excessive quantities ahead of time (e.g., purchase desks for grades 3-5 in year 1 or 2 if the award is for a new school starting in grades K-1). Evidence of meeting all procurement requirements and description of alignment to instructional model may be required in addition to financial documentation. 	PLAN / IMP
Computer Software - Classroom Level Technology	<ul style="list-style-type: none"> Instructional software/programs. May be delivered online or via tangible device (disc). <p>EXAMPLES: Supplemental literacy programs, virtual instruction systems and tutoring programs.</p>	<ul style="list-style-type: none"> Costs may not include monthly service fees or ongoing license fees/renewals. Subscription and license fees are allowable for software purchases. Evidence of supporting professional development around online instructions and/ or programs may be required in addition to financial documentation. 	PLAN / IMP

Curriculum – Curriculum and Textbooks	<ul style="list-style-type: none"> Textbooks and curriculum can include textbook binding. <p>EXAMPLES: Textbooks, supplemental instructional aids, curriculum packages (printed or electronic), student workbooks, teacher guides, etc.</p>	<ul style="list-style-type: none"> Curriculum must be aligned to the academic model and purchased in quantities that do not exceed the proposed student body for each grade level. A limited supply of curriculum materials may be purchased for up to two grades prior to or beyond grades served to support intervention and extended learning strategies. Needs to be justified by the academic model. If electronic media (e-books) takes the form of annual subscriptions, license renewals are not allowable. 	PLAN / IMP
Classroom Library – Classroom Library Books	<ul style="list-style-type: none"> Books for use in individual classroom libraries including fiction and nonfiction books, novels, book series, book sets, etc. May be used as non-circulating reference or for student and teacher check-out. <p>EXAMPLES: Encyclopedia sets, fiction and non-fiction books, novels, book series, and book sets.</p>	<ul style="list-style-type: none"> May include one-time purchase of reusable electronic media (eBooks) if appropriate technology is made available to students. Evidence of integration of classroom library materials into classroom time and/ or instruction may be required in addition to financial documentation. 	PLAN / IMP
Materials and Supplies - Classroom Level Consumable Supplies	<ul style="list-style-type: none"> Student workbooks Testing instruments Expendable items which are consumed as they are used. May include items with a reasonable life expectancy of less than a year. <p>EXAMPLES: Workbooks, testing materials, manipulatives, toner, student headphones, nonscientific/basic calculators.</p>	<ul style="list-style-type: none"> Expenditures may be grouped as one budget line item, supported by a list of materials and supplies by grade level. Supplies or materials beyond reasonable start-up costs considered recurring expenses are unallowable. 	IMP

Funding Restrictions / Other Requirements - Direct Instruction (Classroom Level):

1. Curriculum must be aligned to the academic model and purchases may not exceed reasonable quantities for the proposed student population.
2. If electronic media takes the form of an annual subscription or renewable license, renewals are not allowable.
3. Renewals of computer software are not allowed.
4. All classroom-level equipment and furniture must align to the academic model and support effective instructional practices. Costs may not include monthly service fees. Purchases may not exceed reasonable quantities for the proposed student body.
5. All purchases must include invoices / statements with receipts of payment.
6. If purchases are made during the planning period, then they must be made reasonably close to the school opening date e.g. within 90 days of the school opening. If the school wishes to make purchases earlier than 90 days, the budget request included in the narrative must be accompanied by strong evidence that enrollment projections will materialize and / or a strong justification for purchasing items earlier than 90 days before school opens.

Table 2: Allowable Costs – Instructional Support (School Level)

Account Title	Purpose/ Description	Notes	Allowable Phase
Furniture, Fixtures and Equipment - School Library/ Media Center Equipment	<ul style="list-style-type: none"> Non-computer hardware for centralized school library/media center use. Durable goods with a reasonable life expectancy of over a year. <p>EXAMPLES: DVD players, listening stations, paper cutters, label makers, binding equipment, and book carts.</p>	<ul style="list-style-type: none"> Evidence of meeting all procurement requirements and description of alignment to academic model may be required in addition to financial documentation. 	PLAN / IMP
Furniture, Fixtures and Equipment - School Library/Media Center Furniture	<ul style="list-style-type: none"> Furniture and fixtures for centralized school library/media center use. <p>EXAMPLES: Desks, chairs, tables, bookshelves, book return, circulation desk, dictionary stands, book displays, and podiums.</p>	<ul style="list-style-type: none"> Evidence of meeting all procurement requirements and description of alignment to academic model may be required in addition to financial documentation. 	PLAN / IMP
Computer Hardware - School Library/Media Center Technology	<ul style="list-style-type: none"> Electronic devices capable of reading, processing and executing software programs. Includes peripherals and expansions. 	<ul style="list-style-type: none"> Evidence of meeting all procurement requirements and description of alignment to academic model may be required in addition to financial documentation. 	PLAN / IMP

	<p>EXAMPLES: Desktops, circulation/check-out hardware, charging carts, tablets, servers, docking stations, monitors, and printers.</p>	<ul style="list-style-type: none"> Costs may not include monthly service fees software licenses, or subscriptions. 	
Computer Software School Library/Media Center Software – Purchase and Rental	<ul style="list-style-type: none"> Centralized library/media center software/programs. May be delivered online or via tangible device (disc). <p>EXAMPLES: Circulation software, digital collections management, office software suite, graphics software, publishing software, and internet tools.</p>	<ul style="list-style-type: none"> Evidence of meeting all procurement requirements and description of alignment to academic model may be required in addition to financial documentation. 	PLAN / IMP
Professional and Technical Services - Technology Installation	<ul style="list-style-type: none"> Costs associated with the installation of instructional networks and hardware. <p>EXAMPLES: Installation of classroom interactive systems, wiring computer lab, and installation and wiring of school-wide wireless network.</p>	<ul style="list-style-type: none"> Service agreements for purchased services and evidence of completion (i.e., deliverables, etc.) may be required in addition to financial documentation. Capital improvements are not allowable. Costs associated with adding wiring within the walls are not allowable. 	PLAN / IMP
Professional and Technical Services - Instructional Staff Training	<ul style="list-style-type: none"> Training for instructional staff designed to contribute to their professional or occupational growth and competence. <p>EXAMPLES: In-service training, professional development, conferences, workshops, demonstrations, and visits to high-performing charter schools.</p>	<ul style="list-style-type: none"> If travel is included, school must use the most economical travel arrangements. Costs should be one-time related to start-up and not ongoing. Service agreements for purchased services and evidence of completion (i.e., deliverables, sign-in sheets, etc.) may be required in addition to financial documentation. 	BOTH (PLAN/IMP)
Professional and Technical Services - Instruction and Curriculum Development	<ul style="list-style-type: none"> Services designed to aid in developing curriculum and understanding techniques for instruction. <p>EXAMPLES: Consulting fees to develop program goals and</p>	<ul style="list-style-type: none"> Costs should be one-time related to start-up and not ongoing. Service agreements for purchased services and evidence of completion (i.e. deliverables, sign-in sheets, etc.) may be required in 	BOTH (PLAN/IMP)

	objectives, assessment tools, and curriculum.	addition to financial documentation.	
Professional and Technical Services – Teacher and Leader Evaluation	<ul style="list-style-type: none"> Services related to development of teacher and leader evaluation tools and a strategy for implementation. 	<ul style="list-style-type: none"> Costs should be one-time related to start-up and not ongoing. Service agreements for purchased services and evidence of completion (i.e. deliverables, sign-in sheets, etc.) may be required in addition to financial documentation. 	BOTH (PLAN/IMP)
Library Books School - Library/Media Center Books	<ul style="list-style-type: none"> Books for use in centralized school library/media center. May be used as non-circulating reference or for student and teacher check-out. <p>EXAMPLES: Encyclopedia sets, fiction and non-fiction books, novels, book series, and book sets.</p>	<ul style="list-style-type: none"> May include one-time purchase of reusable electronic media (e-books). Evidence of integration of the school library/ media center materials into academic program may be required in addition to financial documentation. 	PLAN / IMP
Salaries – Staff and additional Support Roles ³	<p>Personnel expenses incurred either before or after the school's opening, provided that these expenses are associated with initial implementation activities (i.e., as opposed to ongoing operations).</p> <p>EXAMPLES: interventionist, data coordinator, etc.</p>	<ul style="list-style-type: none"> Job description and time and effort may be required in addition to financial documentation. If the subgrantee requests funding during the IMP period they must provide adequate evidence that the personnel expenses being funded are not tied to ongoing operational expenses / activities. 	PLAN / IMP
Travel – Travel, Lodging, and Registration	<ul style="list-style-type: none"> Travel costs to attend conferences and training workshops including all professional development, and site visits to other schools. 	<ul style="list-style-type: none"> Documentation of adherence to travel policy, agenda with documented alignment to the CSP project objectives, and expectations for areas of observation and planned sharing of the observed best practices with future teachers and leaders may be required in addition to financial documentation. 	PLAN/IMP

³ Salaries or related fringe benefits after the school opens are not allowable under CSP unless they are classified as non-sustained costs that cannot be met from other sources and are necessary for the purpose of the subgrant.

		<ul style="list-style-type: none"> The most economic travel arrangements must be used. 	
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Funding Restrictions - Instructional Support (School Level):

1. All centralized technology must align with the academic model and support effective instructional practices. Costs may not include monthly service fees related to hardware. One time subscription and license fees are allowable for software purchases. Purchases may not exceed reasonable quantities for the proposed student population.
2. All centralized equipment must align with the academic model and support the chosen instructional strategies. Costs may not include monthly service fees. Purchases may not exceed reasonable quantities for the proposed student population.
3. Capital improvements are not allowed for professional and technical services related to technology installation.
4. All professional services must be aligned to the academic model. Expectations for all deliverables and training outcomes must be clearly articulated in service agreements. All travel expenses must align to the approved travel policy.
5. CSP funds may not be used to supplant salaries. All job descriptions, including part-time positions, must have clearly articulated responsibilities in order to decipher the difference in additional tasks covered by the grant. CSP funds cannot cover salaries once a school is open. CSP funds can cover stipends paid to teachers for professional development related to the school model.
6. CSP funds may cover personnel expenses incurred either before or after the school's opening, provided that these expenses are associated with initial implementation activities (i.e., as opposed to ongoing operations), such as program and curriculum development and integration, and teacher and staff recruiting. If personnel split their time between ongoing operational activities and initial implementation activities, only that portion of the time associated with initial implementation of the charter school is allowable as an initial operational cost. The charter school must maintain accurate time and effort records to document the amount of time each employee works on tasks related to the initial implementation of the charter school. These records must be certified (signed) by an employee's line manager or the school's chief financial or administrative officer before being submitted for reimbursement.
7. School library or media center may include electronic media (e-books) if appropriate technology is available for student access. If electronic media takes the form of an annual subscription or renewable license, renewals are not allowable. Multiple year expenditures must include evidence of growth in student population and / or justification for additional purchase.

Table 3: Allowable Costs – Overall School Operations

Account Title	Purpose/ Description	Notes	Allowable Phase
Dues and Fees - Association Fees	<ul style="list-style-type: none"> School Association fees or dues for membership. 	<ul style="list-style-type: none"> First year annual fees/dues ONLY 	IMP

	<p>EXAMPLES: DVD players, listening stations, paper cutters, label makers, binding equipment, and book carts.</p>	<ul style="list-style-type: none"> Dues payable to the Connecticut Charter School Association are not allowable under this grant. 	
Insurance and Bond Premiums	<ul style="list-style-type: none"> Insurance prepaid for up to one year. <p>ALLOWABLE TYPES: Property, officers and directors' liability, fidelity bond, commercial liability, employee liability</p>	<ul style="list-style-type: none"> Costs allowable one-time ONLY during Planning OR Implementation Year 1 (not allowable in both phases). 	EITHER (PLAN/IMP)
Furniture, Fixtures and Equipment - Administrative Furniture	<ul style="list-style-type: none"> Front office furniture. <p>EXAMPLES: Desks, chairs, tables, and fireproof filing cabinets.</p>	<ul style="list-style-type: none"> Evidence of meeting all procurement requirements and demonstrated student demand and enrollment may be required in addition to financial documentation. Purchases may not exceed reasonable quantities for the proposed administration. 	BOTH (PLAN/IMP)
Furniture, Fixtures and Equipment - Cafeteria Furniture and Equipment	<ul style="list-style-type: none"> Cafeteria furniture and equipment is allowed if these items are removable. <p>EXAMPLES: Refrigerators, ovens, and tables (<i>if</i> they are removable)</p>	<ul style="list-style-type: none"> Evidence of meeting all procurement requirements and demonstrated student demand and enrollment may be required in addition to financial documentation. 	BOTH (PLAN / IMP)
Computer Hardware - Administrative Technology	<ul style="list-style-type: none"> Electronic devices capable of reading, processing, and executing software programs. Includes peripherals and expansions. <p>EXAMPLES: Front office computer, central printer, central copier, visitor registration hardware, inventory hardware, principal computer and printer.</p>	<ul style="list-style-type: none"> Evidence of meeting all procurement requirements and demonstrated student demand and enrollment may be required in addition to financial documentation. Costs may not include monthly service fees. For expansion applicants only equipment purchased to serve new classes may be eligible for CSP funding. 	BOTH (PLAN/IMP)
Computer Software, Administrative	<ul style="list-style-type: none"> Administrative software/programs. May be 	<ul style="list-style-type: none"> Evidence of meeting all procurement 	BOTH (PLAN/IMP)

Software – Purchase and Rental	<p>delivered online or via tangible device (disc).</p> <p>EXAMPLES: Inventory software, visitor registration software, office suite licenses for front desk and administrative staff.</p>	requirements and demonstrated student demand and enrollment may be required in addition to financial documentation.	
Materials and Supplies – Administrative Consumable Supplies	<ul style="list-style-type: none"> Includes expendable items that are consumed as used such as paper, pencils, staples, etc. 	<ul style="list-style-type: none"> Expenditures may be grouped as one budget line item but must be supported by a list of materials and supplies needed in the notes section of the Budget request template and in the Budget Narrative. 	BOTH (PLAN/IMP)
Materials and Supplies – Administrative Postage	<ul style="list-style-type: none"> Postage for student and parent communication including newsletter distribution, enrollment packages etc. 	<ul style="list-style-type: none"> Must be fully expended during the grant period. Justification for quantity of mailed items may be required in addition to financial documentation. 	BOTH (PLAN/IMP)
Communications - Postage	<ul style="list-style-type: none"> Postage for informational mailings at non-profit rate to promote new school program/opening. 	<ul style="list-style-type: none"> Must be fully expended during the grant period. Justification for quantity of mailed items may be required in addition to financial documentation. 	BOTH (PLAN/IMP)
Other Purchased Services - Outreach and Recruitment	<ul style="list-style-type: none"> Informational materials and intangible items and services to inform the community about the charter school mission, program, contacts, registration process, lottery, and performance outcomes, and to recruit leadership, instructional, and professional personnel. <p>EXAMPLES: Design and printing of brochures and postcards, radio spots, television ads, website design,</p>	<ul style="list-style-type: none"> All outreach materials must include registration information and state the school is a tuition-free public charter school. Materials must be specific to school opening/expanding. Materials must be fully distributed during the grant period. Clearly articulated outcomes for each expenditure may be required in addition to financial documentation.⁴ 	BOTH (PLAN/IMP)

⁴ GAN Attachment 11, page 28 of 53 – Specific Conditions for Disclosing Federal Funding in Public Announcements: When issuing press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or part with Federal money, U.S. Department of Education grantees shall clearly state:

	newspaper ads, and outreach consultant.	<ul style="list-style-type: none"> • Program office may require pre-product proof to verify compliance. • School signage may not comprise capital improvement (i.e. it must be removable). 	
Furniture, Fixtures and Equipment - Playground Equipment Bleachers	<ul style="list-style-type: none"> • Playground structures and equipment. <p>EXAMPLES: Playscapes, tetherball sets, swing sets, portable basketball hoops.</p>	<ul style="list-style-type: none"> • Cannot be permanently affixed to facilities. • Ground cover, enclosures (fencing, landscape border) are not allowable. • Capitalized improvements/ construction (engaging an architect, engineer) are not allowable. • All equipment should be reasonable to the population size and age. • CSP Non-Regulatory Assurances must be met prior to approval of budget request. • Evidence of meeting all procurement requirements and evidence of mobility of all purchased equipment may be required in addition to financial documentation. 	BOTH (PLAN / IMP)
Professional - Technical Consulting Services	<ul style="list-style-type: none"> • Costs for services related to start-up expenses and organization development. <p>EXAMPLES: Legal costs for lease and charter contract negotiations, bylaws, policies, consulting fees to develop organization policies and business plan, accounting professional to develop internal controls, accounting systems, and auditable financial processes/reporting.</p>	<ul style="list-style-type: none"> • Cost allowable during Planning and / OR Implementation. • Contract inclusive of scope of work may be required in addition to financial documentation. • The subgrant budget request must include justification why the cost is being included in whichever period it is requested, including rationale for how the requested funds are 	BOTH (PLAN/IMP)

the percentage of the total costs of the program or project which will be financed with Federal money; the dollar amount of Federal funds for the project or program; and the percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources. Recipients must comply with these conditions under Division H, Title V, Section 505 of Public Law 116- 260, Consolidated Appropriations Act, 2021.

		related only to start-up / growth activities and will not supplant ongoing, recurring operating costs.	
Professional - Consulting Services	<ul style="list-style-type: none"> First year audit report. 	<ul style="list-style-type: none"> Cost allowable one-time ONLY during Implementation. 	IMP
Facility Expense – Mortgage or Lease Expenses	<ul style="list-style-type: none"> Mortgage, lease, or rent payment for school facility. 	<ul style="list-style-type: none"> Cost allowable for only a limited period prior to school opening date (e.g. 90 days). Subgrantee must justify the time period for which they are requesting rental payments be covered by CSP funding. Copy of lease agreement, documentation that expense cannot be covered by local funding sources, and documentation of inspection report may be required in addition to financial documentation. 	PLAN
Renovation – Minor Repairs	<ul style="list-style-type: none"> Facilities repairs to keep facilities in efficient operating condition. Operating costs related to regular maintenance (e.g. cleaning services) may not be included in the CSP budget request as these are considered ongoing operating costs and not confined to the start-up period. 	<ul style="list-style-type: none"> Renovation and repairs cannot increase the permanent value of the property nor appreciably prolong its intended life. Copy of lease agreement, documentation that expense cannot be covered by local funding sources, and documentation of inspection report may be required in addition to financial documentation. 	BOTH (PLAN/IMP)
Salaries - Essential Staff Salaries	<ul style="list-style-type: none"> Amount paid to essential employees of the school during pre-opening period. <p>EXAMPLES: School principal/director, recruitment specialist, operations / finance support to assist with start-up operations, office manager to assist with registration, teachers and other required instructional support (for planning only).</p>	<ul style="list-style-type: none"> Allowable for principal and other essential staff for the planning period. Any cost requested during IMP must be accompanied by strong justification demonstrating that nature of activities is related to start up activities only. Job description and time and effort tracking is required in addition to 	PLAN / IMP

		required financial documentation.	
Transportation	<ul style="list-style-type: none"> Start-up costs for student transportation. <p>EXAMPLES: Initial bus contract, metro or bus passes for six months, and purchase of vans for transportation.</p>	<ul style="list-style-type: none"> Evidence of adherence to purchasing and procurement policy and evidence of transportation plan and community need assessment is required in addition to financial documentation. 	PLAN / IMP
Travel - Travel, Lodging, and Registration	<ul style="list-style-type: none"> Travel costs for principal and Board to attend conferences and training. <p>EXAMPLES: Training and professional development, site visits to other high performing charter schools.</p>	<ul style="list-style-type: none"> Documentation of adherence to travel policy, agenda with documented alignment to the CSP project objectives, and expectations for areas of observation and planned sharing of the observed best practices with future teachers and leaders may be required in addition to financial documentation. The most economical travel arrangements must be used. 	IMP

Funding Restrictions – Overall School Operations:

1. Renewal dues, fees, or licensing is not allowed.
2. Facility funds may not be used for the purchase of portable classrooms, engineering, permits, or tear down.
3. Funds for minor repairs cannot be used for purchases of modular classrooms, engineering, permits, or tear down.
4. Travel expenditures must be aligned to program outcomes and provide sustainable value to board and leadership capacity.
5. Membership fees for associations whose primary purpose is lobbying are unallowable.
6. Transportation costs are one time only.
7. Outreach and communications materials must clearly align with documented strategy. Materials must be specific to the school and distributed within the grant period identified in the award notice. Promotional products are not allowable.

Unallowable Costs

General Category	Unallowable Costs within CSP Grant Program
Activities	Field trips Extracurricular activities, programs, etc.

	Athletic (team/afterschool) equipment
Apparel	Student uniforms Athletic & extracurricular uniforms and costumes Staff uniforms, hats, or clothing
Bad Debt	Bad debts, including losses (whether actual or estimated) arising from uncollectible accounts and other claims, related collection costs, and related legal costs
Capital Improvements	Purchase of land or buildings Addition of permanent structural improvement or restoration of some aspect of a property that will either enhance the property's overall value or increase its useful life
Construction	Construction of new facility Construction on an existing facility Building renovations, refurbishments, and restoration (unless these are required to make the building meet state or local codes or statutes) Activities for which an architect and/or engineer must be utilized
Supplies	Cleaning supplies; cafeteria/food service supplies
Food	Food, beverages, alcohol
Fundraising	Expenses associated with fundraising activities
Incentives	Gift certificates Food/alcoholic beverages Awards and gifts
Lobbying	Lobbying or related expenses
Promotional Items	Promotional materials (often imprinted), such as pencils, pens, balloons, and notepads. PROMOTIONAL ITEMS ARE NOT ALLOWABLE UNDER ANY CATEGORY, INCLUDING OUTREACH AND RECRUITMENT
Professional Fees	Ongoing accounting, auditing, and legal fees not directly related to organizational start-up and planning
Recurring Expenses	Rent/leases on or after first day of school Operating expenses and utilities, equipment leases, monthly and annual contracts Recurrent/repeated professional development and training Software license renewals Fees such as monthly insurance and payroll services, management company fees, service contracts, trash disposal, gas/electric/phone/water/utilities, cell phones, etc.

Renovations	Structural (roofing, wall repair, electrical wiring/rewiring) unless required to meet state or local building codes or statutes Room additions Fixed partitions Security (fences, alarms, cameras – unless these are fully portable and not hard-wired) Painting (unless required to meet state or local building codes or statutes) Carpeting Landscaping
Student	Student membership fees Student conferences
Technology	No electrical installation or modification to room dividers or existing walls, floors, ceilings, or structural elements Installation of computer network cabling is only allowable when not already present and may not comprise a capital improvement to the property
Travel	Travel costs must comply with state and local policies
Indirect Costs	Indirect costs are not allowed

Appendix 1: Budget Amendment Process

Under [2 CFR 200.308](#) subgrant recipients must report deviations from the approved CSP budget request and must obtain GSCT pre-approval for any requested deviations. All budget amendment requests must be submitted to the GSCT team on Basecamp using the Budget Amendment form and any required accompanying material (including a revised CSP budget clearly showing changes vis a vis the original budget request), a rationale for the amendment and a PDF copy of the signed and dated budget amendment form.

The [Budget Amendment Form](#) template is available on the CSP website and linked here. Please ensure that the GSCT team is aware of any impending budget amendment request and please schedule TA in advance of submitting a budget amendment. We encourage applicants to request budget amendments judiciously – requesting a budget amendment for minor changes is not recommended and subgrantees are requested to reserve budget amendments for meaningful budget change requests.

Appendix 2: Frequently Asked Questions

Question 1: Our school does not use Google Sheets, can I download the Reimbursement form and submit it as an Excel document for reimbursements?

Answer: All CSP subgrant recipients must use the tools specified by the grant team. The reimbursement form must be completed on Google Sheets and submitted in that format on Basecamp. Non-compliance with this requirement may result in delayed or denied reimbursements.

Question 2: If my school intends to apply for GSCT CSP grant, can we incur costs before a CSP subgrant is awarded with the expectation that these will be reimbursed if my school is awarded a grant?

Answer: In certain circumstances GSCT may allow potential subgrantees to include pre-award program costs in their CSP budget request as allowed under 2 CFR 200.308(g)(1). If a subgrant recipient chooses to incur project costs before an award is made, then expenses incurred within 90 days or less of the final subgrant award date **may** be eligible for reimbursement. All costs incurred before a subgrantee receives notice of a final award are at the recipient's risk (i.e. NECSN is not required to reimburse such costs if for any reason the recipient does not receive the GSCT CSP subgrant award, or if the award amount is less than anticipated and inadequate to cover such costs). See also CFR [§ 200.458](#). NECSN reserves the right to refuse reimbursement of pre-award costs for any reason including, but not limited to the following reasons:

- a. If in incurring costs before an award is finalized the subgrant recipient does not comply with federal procurement and purchasing requirements outlined in [2 CFR Part 200 Subpart D - Procurement Standards](#).
- b. If the subgrant recipient's budget is not approved in the full amount requested.

Applicants interested in requesting pre-award costs must discuss their budget plans with the GSCT team and must obtain written approval for such costs.