

Project Budget Guidance–Tier 1, Cohort S

The Tier 1 Cohort S, RFA, requires a general three-year Budget Summary of the grant period beginning July 1, 2023, through June 30, 2026. The budget which is completed and submitted in TUPE GEMS must align with the proposed program deliverables as described in the application.

The Project Budget includes:

- ☐ Required Sections
- ☐ Supplemental (Optional) Sections

The **required** sections refer to the following program areas in TUPE GEMS:

- Tobacco-Free Policy Development and Implementation (Section 8)
- California Healthy Kids Survey Administration (Section 9)
- TUPE Program Administration and Staffing (Section 10)

The **supplemental** sections allow applicants to forecast costs for additional services if the funding remains unspent during any of the three years of the grant. The supplemental sections refer to the following program areas in TUPE GEMS:

- Student Services (Section 3)
- Family and Community Engagement (Section 4)
- Staff Professional Development (Section 5)

The budget information provided for the three required and three supplemental program areas will be captured in the Budget Summary.

Note: Supplemental services should only be considered: 1) If tobacco-free policies have been developed and implemented; 2) CHKS has been administered at all schools listed in the grant; and 3) If unspent funds remain. If the applicant is awarded Tier 1, Cohort S funding but does not include supplemental services at the time of application, additional services may be added at a later date. However, any services and resulting expenditures that are not listed in the application will require pre-approval from the CDE Regional Consultant and Analyst. Supplemental services that are not approved will not be paid.

The Budget Summary shows the totals for each object code, summarizing the forecasted amounts from each of the required and supplemental program areas for the three-year grant period.

Object Code	Summary Budget Guidance
1000 2000	Employee compensation for Tier 1, Cohort S grant activities must be consistent with compensation for similar work within the local educational agency (LEA).
3000	Benefits are for personnel previously listed and only for the percentage of time devoted to the project. Benefit costs charged to this program must be proportionate to the percentage of salary charged to this program.
4200 4300 4400	Generally, supplies include any materials that are expendable or consumed during the grant term. Supplies purchased with Tier 1 Cohort S funds are for use by Tier 1 Cohort S, programs, and assigned personnel only.
5100	Record expenditures for subagreements and subawards pursuant to certain contracts, subcontracts, and subgrants. The use of contracted staff and services for the <i>Required Sections (Section 8, Section 9, and Section 10)</i> is <i>nonallowable</i> unless related to the California Healthy Kids Survey Administration or with prior approval from the CDE TUPE Office. The use of contracted staff or services are allowable for the <i>Supplemental Sections only (Section 3, Section 4, and Section 5)</i> with no prior CDE TUPE Office approval needed if services were proposed at the time of application. If supplemental services were not proposed at the time of application, and the grantee wishes to add new services, prior approval from the TUPE Regional Consultant and Fiscal Analyst is required. Individual consultant services and subagreements identified under 5800–0000 or 5800–1000 and funded through this grant with an amount over \$25,000, must be listed in this line item (Object Code 5100) and show only the amount of the subagreement that exceeds \$25,000. Indirect costs cannot be applied to this line item.
5200	Travel expenses for project personnel by purpose (e.g., staff training, in-services, orientation meeting, etc.). Air travel or out of state travel is <i>nonallowable</i> . Costs for travel that are not TUPE-specific cannot be charged to Tier 1, Cohort S.
5600	Costs for rentals, leases, repairs, and non-capitalized improvements are <i>nonallowable</i> .

Object Code	Summary Budget Guidance
5700	Typical transfers of direct costs between functions include services provided or products developed by the LEA. Costs associated with printing and postage are <i>allowable</i> . Costs for telephone systems, fax machines, including cell phones and landlines, are <i>nonallowable</i> . Costs for items identified as interprogram services cannot be included with costs being charged to the grant as indirect costs.
5800–0000 /5800–100 0	<p>Record expenditures for personal services rendered by personnel who are not on the payroll of the LEA; as well as professional/consulting services that are delivered by an independent contractor (individual, entity, or firm) that offers its services to the public. This includes all related expenditures covered by the personnel services contract. This Object Code may also be used to record expenditures for services performed by an outside agency.</p> <p>Individual consultant services or subagreements identified under 5800–0000 or 5800–1000 for the <i>Required Sections (Section 8, Section 9, and Section 10)</i> are <i>nonallowable</i> unless related to the California Healthy Kids Survey Administration or with prior approval from the CDE TUPE Office.</p> <p>The use of the individual consultant services or subagreements are allowable for the <i>Supplemental Sections only (Section 3, Section 4, and Section 5)</i> with no prior CDE TUPE Office approval needed if services were proposed at the time of application. If supplemental services were not proposed at the time of application, and the grantee wishes to add new services, prior approval from the TUPE Regional Consultant and Fiscal Analyst is required.</p>
5900	Expenditures for periodic servicing of landline telephone, cell phone, fax, and internet service are <i>nonallowable</i>
TOTAL	Provide a total for each object code. The totals will be captured in the main Budget Summary by TUPE GEMS.

A. Cost Requirements

All costs must be reasonable and aligned with the RFA program plan.

The maximum allowable funding for a single LEA applicant is \$6,000 for the full three-year term. Multiple LEAs may collaborate with their COE to form a consortium for the purposes of this grant application. Consortium applicants may request up to \$6,000 for each LEA represented in the application.

1. Personnel Requirements

The number and FTE of personnel required for the Tier 1 Cohort S grant program must be clearly identified in Section 10 of the application. Project staff may be LEA personnel or contract staff from a partner agency and must provide services as related to the program plan and as described in the RFA.

a. Project Coordinator. Duties may include, but are not limited to:

- i. Provide overall day-to-day management to implement the program, including coordination of project staff and activities as described in the program plan.
- ii. Confirm that Tobacco-Free School Policy signs are prominently displayed at all entrances to all schools and agency properties and locations.
- iii. Ensure that all project funds expended or obligated are allowable costs and in compliance with the approved budget.
- iv. Maintain required documentation of project services, activities, accomplishments, and program records.
- v. Develop and provide mandatory grant implementation and annual progress reports. Maintain and/or monitor any budget and project modifications, project claim invoices, and fiscal reports.
- vi. Coordinate ongoing data collection for project monitoring and evaluation purposes.
- vii. Facilitate ongoing collaborative meetings.
- viii. Implement and update the LEA TUPE policies.

The exact title of the Project Coordinator position is determined by the LEA. The total percentage of time for any person funded by any TUPE grant cannot exceed 100 percent.

b. Administrative Staff. Duties may include, but are not limited to:

- i. Provide overall day-to-day administrative support to the Project Coordinator.

- ii. Provide support for the program plan.

If the administrative staff provides services to other programs, the total percentage of time for any person cannot exceed 100 percent. Overtime is not an allowable cost.

c. Direct Service Staff (*for use in the Supplemental sections only - Section 3, Section 4, and Section 5*).

Duties may include, but are not limited to:

- i. Provide *direct, hands-on* services to students and/or parents/community.
- ii. Accommodate these types of services that are reasonable, directly supporting the program plan, and are consistent with the needs of the TUPE program.

If the direct service staff provides services to other programs, the total percentage of time for any person cannot exceed 100 percent. Overtime is not an allowable cost.

2. Operating Expenses Requirements

- a. Funds must be limited to those materials and activities which directly support the Tier 1 Cohort S program plan.

3. Noncapitalized equipment costs less than \$5,000 per item

- a. Items that cost more than \$500 must be inventoried and tracked on the inventory list.
- b. The inventory list must be updated annually if equipment purchases occur and sent with the final expenditure report before the final annual payment is released.
- c. The capitalization thresholds are taken into consideration based on the district's locally determined capitalization threshold amount, which requires tracking for inventory and capitalization.
- d. All inventory items purchased with TUPE funding must be noted on the inventory report, even if they were purchased prior to the TUPE grant funding cycles or through other TUPE grants.
- e. The disposal of the inventory items is based on the district's internal policy.

4. Travel and Training Requirements

- a. Travel and training expenses are to be consistent and directly supportive with the needs of the program plan activities. When meals are included in the registration fee of a conference/event, the per diem amount for those meals must not be budgeted.
- b. These costs shall be reimbursed at rates not greater than those established in bargaining unit agreements to which the LEA is subject.

5. Subcontracts and Professional/Consulting Services Requirements.

The use of contracted staff and services for the *Required Sections (Section 8, Section 9, and Section 10)* are nonallowable *unless* related to the California Healthy Kids Survey Administration or with prior approval from the CDE TUPE Office.

The use of contracted staff and services is allowable **only** for the *Supplemental Sections (Section 3, Section 4, and Section 5)*.

For both the required and supplemental sections, the program applications must provide the following:

- a. A detailed description of each service or activity being provided.
- b. Justification for the service or activity, ensuring that it does not supplant services already being offered by other TUPE grants.
- c. A forecasted budget where each service or activity in the program is associated with an expenditure of funds.

6. Indirect Cost Rates Requirements

- a. The indirect cost rate is limited to the rate projected by the local educational agency and is not to exceed the CDE-approved rate.

The allowable CDE indirect cost rates are posted on the CDE Indirect Cost Rate (ICR) web page at
<https://www.cde.ca.gov/fq/ac/ic/index.asp>

7. Other Cost Requirements

a. Stipends

- i. Stipends are a sum of money (not a wage) paid to an individual serving to support services associated with the program plan.

- ii. A stipend may not be substituted for compensation, tied to productivity, or tied to an employee's time sheet for a number of hours worked.
- iii. Compensation in the form of a stipend rather than a dedicated full-time equivalent or number of days and rate of pay is encouraged.

b. Student and parent incentives, awards, and recognitions

The use of incentives is allowable for the *Supplemental Sections (Section 3, Section 4, and Section 5)*, and *incentives associated with the California Healthy Kids Survey administration*

- i. Incentives are allowed to motivate and/or reinforce positive behavior, participation, and/or involvement, and should include educational items. These items must be directly related to tobacco-use prevention education.
- ii. When possible, incentives should provide a tobacco-free message on the item being given or distributed.
- iii. The use of incentives must be tied to an activity in the *Supplemental Section(s)* or CHKS administration. Grantees must confirm that each recipient participated in the activity. The incentives must demonstrate a clear linkage to tobacco-use prevention education.
- iv. Total planned expenditures for all incentives, awards, and recognitions must not exceed 10 percent of the total grant if incentives are associated with the CHKS or 10 percent of the amount forecasted for the Supplemental Section.
- v. The cost of the student or parent incentive, including gift cards, may not exceed \$25 per person per year and shall not include merchandise or gift cards to locations that sell or promote the purchase of tobacco products.
- vi. A log must be kept that includes, at a minimum, the recipient's name, item, dates of service, and how/where the incentive was distributed.
- vii. Incentives, awards, and recognitions, including gift cards, cannot be in the form of cash.

B. Funding Restrictions

TUPE Grant funds are intended to supplement existing programs and must not be used to supplant other state or federal funds being used for existing staff or activities. Grant funds cannot be transferred to any other program accounts for any purpose other than for the Tier 1 Cohort S program scope of work.

Funds may **not** be used for:

- a. Activities that supplant or duplicate existing TUPE programs or services funded by the TUPE Program.
- b. Contracted staff and services for the *Required Sections (Section 8, Section 9, and Section 10)*. Exception is allowed with the California Healthy Kids Survey Administration or with prior approval from the CDE TUPE Office.
- c. Expenditures for land, buildings, and other intangible capital assets, including items acquired through leases with the option to purchase and capitalized equipment costs in excess of \$5,000.
- d. Contributions or donations, including cash, property, and services, from the recipient or subrecipient to other entities.
- e. Cash and gift cards that can be used to purchase tobacco, nicotine products, and/or alcohol.
- f. Vaping and/or bullying detectors
- g. Security devices and/or networks supporting the security system.
- h. Repairs and improvements, including heating, ventilation, and air conditioning systems projects and equipment to improve indoor air quality.
- i. Personal Protective Equipment (PPE) for protection against illnesses or viruses.
- j. Purchase of vehicles.
- k. Costs associated with telephone systems and services, fax machines and services, internet, and landlines.
- l. Costs for rentals, leases, repairs, and non-capitalized improvements.
- m. Out-of-state travel.
- n. Air travel.

- o. Food—Exceptions may be allowed for the *Supplemental Sections (Section 3, Section 4, and Section 5)* if the agency can provide a clear justification that the provision of food is necessary to implement a student strategy or other activity of the Tier 1 Cohort S grant training events for students, staff, or parents conducted beyond normal school hours or off-site.
- p. Payment of any kind to law enforcement agencies for security enforcement – exceptions may be allowed if the agency can provide a clear justification that payment is for law enforcement personnel to deliver student/parent/community lessons or educational activities and services. This is only allowable for the *Optional Sections (Section 3, Section 4, and Section 5)*.
- q. Campus monitoring and supervision.
- r. Student and parents incentives, awards, and recognitions—exceptions may be allowed under *Supplemental Sections (Section 3, Section 4, and Section 5)* and for *CHKS administration*.
- s. Cost for capital outlay.
- t. Compensation or expenses of direct service staff— exceptions may be allowed under *Supplemental Sections (Section 3, Section 4, and Section 5)*.
- u. Child care— Exceptions may be allowed for the *Supplemental Sections (Section 3, Section 4, and Section 5)* if the agency can provide a clear justification that the child care is necessary to implement a meeting strategy or other TUPE Tier 1 Cohort S training event for parents conducted beyond normal school hours or off-site.
- v. Reimbursement of costs incurred prior to, or beyond the effective date of the Grant Award Notification.
- w. Reimbursement of costs that are currently covered by another TUPE grant or contract.
- x. Reimbursement of costs that are not consistent, or nonallowable according to local and state guidelines or regulations.
- y. Reimbursement of costs that are considered unreasonable for the TUPE program.
- z. Reimbursement of costs in support of planning activities or preparation and submission of the grant application in response to the RFA.

- aa. Reimbursement of any cost associated with the collection and/or disposal of any tobacco or e-cigarette delivery system waste.

Note: Applicants are encouraged to review Procedure 770, Distinguishing between Supplies and Equipment, in the California School Accounting Manual (CSAM) for further discussion regarding capitalized equipment, noncapitalized equipment, and supplies. The CSAM can be downloaded from the CDE CSAM web page at <https://www.cde.ca.gov/fg/ac/sa/documents/csam2019complete.pdf>

Fiscal and Program Terms and Conditions

The TUPE Initiation Grant Program Tier 1, Cohort S, provides funding for three years, beginning July 1, 2023, through June 30, 2026. The CDE will issue a grant award notification (GAN) for all three years, contingent upon the CDE's receipt of state allocations for the Tobacco-Use Prevention Education (TUPE) Program. Grant funding beyond (FY) 2026–27 will be determined based upon the competitive results of a new Request for Applications (RFA) process. The distribution of funding among the various categories of cost must clearly support the activities approved in the LEA's application.

Distribution of Funding and Payment Process

All payments are subject to Budget Act approval. The distribution of funding will occur as follows:

- a. Grantees will receive a cash advance equal to 50 percent of the grant award upon satisfactorily addressing all program and budget stipulations and returning the signed Grant Award Notification (AO-400) to the TUPE Office.
- b. Grantees will be paid another 40 percent from the grant award notification (GAN) after the CDE receives and approves the expenditure and progress reports, showing that the LEA has expended at least 80 percent of the first payment.

Note: All required fiscal and program reports must be submitted in TUPE GEMS before payments are made.

- c. The final payment of 10 percent will be held pending receipt and approval of all required reports requested during the three-year grant life, including the final expenditure report that is due on September 30, 2026.

Note: All required fiscal and program reports must be submitted in TUPE GEMS before the final payment is made.

Budget Revisions

- a. The grantee is not required to do a budget revision.
- b. A justification is required when expenditures exceed the forecasted amount for each object code.
- c. The grantee may not make any changes (increase or decrease) to the overall total allocated for the grant.
- d. All grantees agree to expend funds aligned with the Tier 1 Cohort S program application and not exceed the awarded funding amount.

Match Requirement

No matching funds are required. In-kind support for the Tier 1 Cohort S grant project is allowable.

Record Retention

Grantees should maintain program records such as expenditure reports and accounting records that reflect actual expenditures, including, but not limited to, accounting books, ledgers, documents, and payroll records (including signed timesheets, etc.). The Grantee must follow standard accounting procedures and practices that properly reflect all direct and indirect expenses related to the grant. The Grantee is to maintain fiscal and program records documenting expenditures and program implementation for five (5) years beyond the date of the final grant payment.

The CDE must be permitted to review and inspect the activities, documents, and financial records during the term of the grant and for five years beyond the final payment.

Reporting Requirements

A. Fiscal Reporting

The Grantee is required to submit expenditure reports annually for each fiscal year of the three-year grant cycle based on the schedule below.

Expenditure reports must be accompanied by:

- ☐ The accounting records for reconciliation purposes (e.g., General Ledger or Budget Report).

□ Inventory Reporting

Expenditure Reporting Period	Expenditure Report Due
July 1, 2023—June 30, 2024	No later than September 30, 2024

1. Year 1—July 1, 2023—June 30, 2024

2. Year 2—July 1, 2024—June 30, 2025

Expenditure Reporting Period	Expenditure Report Due
July 1, 2024—June 30, 2025	No later than September 30, 2025

3. Year 3—July 1, 2024—June 30, 2026

Expenditure Reporting Period	Expenditure Report Due
July 1, 2025—June 30, 2026	No later than September 30, 2026

B. Program Reporting

The Grantee is required to submit a program progress report annually for each fiscal year of the three-year grant cycle based on the schedule below.

Note: Grantees must maintain current certification of their Tobacco-Free School Policy throughout the full term of the grant.

1. Year 1—July 1, 2023—June 30, 2024

Progress Reporting Period	Progress Report Due
July 1, 2023—June 30, 2024	No later than August 31, 2024

2. Year 2- July 1, 2024—June 30, 2025

Progress Reporting Period	Progress Report Due
July 1, 2024—June 30, 2025	No later than August 31, 2025

3. Year 3- July 1, 2025—June 30, 2026

Progress Reporting Period	Progress Report Due
July 1, 2025—June 30, 2026	No later than August 31, 2026

C. Additional Grant Information

1. In addition to CHKS, if selected, a Tier 1 Cohort S grantee and participating schools are required to participate in the California Youth Tobacco Survey (CYTS) administered by the California Department of Public Health (CDPH) and the California Educator Tobacco Survey conducted by the California Department of Education. The survey results will be used for the CDE to improve its ability to implement and oversee school-based tobacco-use prevention programs and to determine to what extent schools have reduced the smoking prevalence rate for high school youth.

Students in grades eight, ten, and twelve, as well as school and district TUPE Program Administrators, will be among the participants of this evaluation. All schools with students in grades eight, ten, and twelve must participate in the survey, including those not listed in the grant application. The CYTS is conducted in accordance with board policy on parental consent and requires a beginning-of-the-year notice to parents.

2. Failure to complete the requirements for CHKS may result in reduction of the grant reimbursements equivalent to the cost of the survey.
3. Failure to submit the required deliverables by the established due dates may jeopardize an agency's funding, their good standing status, and their eligibility to apply for future funding. Late or non-submission of two or more required deliverables may result in termination of the grant with the CDE withholding any undistributed funds, and billing the agency for any funds given in advance.
4. Payments are released contingent upon grantees meeting the requirements for Tobacco-Free Policy Certification and scheduled administration of the CHKS as described in the RFA. All districts and/or school sites must have maintained certification or have been certified by the CDE as having a current Tobacco-Free Policy Certification by July 1st of each fiscal year as a condition of the grant and

receiving payment without interruption. In addition, the CHKS must be administered to all district and/or school sites as required in each active grant.

The TUPE Office will post the current tobacco-certified status list for each county, district, and direct funded charter school by August 15th of each year to the TUPE Tobacco-Free School District Certification web page

<https://www.cde.ca.gov/ls/he/at/tobaccofreecert.asp>. If the TUPE Office does not receive the originally signed certification by July 1st, of a given year the grantee may be at risk of not being included on the updated Certified Tobacco-Free School Districts and COEs list when posted on August 15th. LEAs that do not submit their certifications until after July 1 may be in good standing, however, the current certification status will not be reflected until the web page is updated the following year.