



# THE OPPORTUNITY TRUST

## Allowable Cost Guide

Federal Program Title	Expanding Opportunity Through Quality Charter Schools Program (CSP)–Grants to State Entities
Federal Agency	U.S. Department of Education
State Entity (Charter School Support Organization)	The Opportunity Trust
CFDA Number	84.282A
Award Name	The Opportunity Trust (OT) - CSP-Missouri (CSP-MO) - Expanding Access to Quality Public Schools in Missouri
Award Number	S282A230004

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# Introduction

In September 2023, The Opportunity Trust was awarded \$35.5 million for the *CSP-Missouri (CSP-MO) - Expanding Access to Quality Public Schools in Missouri* program by the U.S. Department of Education (Department) under the FY 2023 CSP State Entities Grants Program.

The grant is to be administered by The Opportunity Trust (OT), a St. Louis-based nonprofit focused on ensuring every child in Missouri is prepared to thrive through empowering parents, building the capacity of educators to improve learning outcomes, and supporting an ecosystem of innovation and improvement in public education. Since our inception, we have helped expand access to high-quality public schools in high-need communities by supporting the addition of 4,764 seats at successful charter schools and by working with 8 talented and diverse educators to design and launch 6 new schools with strong community support and robust enrollment. These new schools have brought innovative models such as personalized learning, place-based learning, and student leadership-centered pedagogy to Missouri's education ecosystem.

In the scope of this grant award, OT plans to award CSP subgrants to charter schools and charter school developers<sup>1</sup> in Missouri to carry out one of the following activities:

1. Open and prepare for the operation of **new** charter schools.
2. **Replicate** and open high-quality charter schools.
3. **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](#) (page 17 of 25) 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 guide 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\(b\)\(1\)](#) (page 240 of 449) of

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<sup>1</sup> From ESEA §4310 (7) (Page 267 / 449) The term "developer" means an individual or group of individuals (including a public or private nonprofit organization), which may include teachers, administrators and other school staff, parents, or other members of the local community in which a charter school project will be carried out. See Appendix 1 for all definitions.

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 \(page 255 of 449\)](#) 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\(b\)\(1\)](#) (page 240 of 449) when such costs cannot be met from other sources.

## How to Use This Guide

In general, subgrantees should keep in mind the overarching principle 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 before 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 budget narrative in your grant application. Any changes from the approved budget and project narrative require prior approval from the OT team.

All requested budget items must be necessary, [allowable](#), [reasonable](#), and [allocable](#) (as defined in [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 OT 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@theopportunitytrust.org](mailto:csp@theopportunitytrust.org).

CSP-MO 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 details on Fiscal Compliance). All expenditures must follow the sub-recipient board-approved procurement requirements 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 budget amendment will not be eligible for reimbursement. 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:

- (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 the 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 that 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:

- [Elementary and Secondary Education Act of 1965 – including Section 4303\(h\) Local Uses of Funds \(page 255 of 449\)](#)
- [Charter Schools Program Nonregulatory Guidance \(updated January 2014\)](#)
- [U.S. Department of Education \(ED\) Charter Schools Program \(CSP\) Regulatory and Nonregulatory Guidance](#)
- [Title 2 of the CFR](#)

Note: When using Federal funds to purchase equipment or services, a charter school must comply with the procurement standards set forth in the Department's regulations at [34 CFR 74.40-74.48](#).

## 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 up to 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 (PLAN) or Implementation phase (IMP), 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 a 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 the 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 grant<sup>2</sup>?
  - a. If YES, the expense is 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
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<sup>2</sup> 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.

<p>Furniture - Fixtures and Classroom Equipment</p>	<ul style="list-style-type: none"> <li>• Non-computer hardware for instructional use.</li> <li>• Durable goods with a reasonable life expectancy of over a year. May also include durable instructional equipment for special classes.</li> </ul> <p>EXAMPLES: Projectors, screens, document cameras, audio amplification, musical instruments, PE equipment, etc.</p>	<ul style="list-style-type: none"> <li>• Can be used for equipment for special classes: teaching clocks, microscopes, musical instruments, physical education equipment.</li> <li>• Evidence of meeting all procurement requirements and a description of alignment to the instructional model may be required in addition to financial documentation.</li> </ul>	<p>IMP</p>
<p>Furniture - Fixtures and Equipment</p>	<ul style="list-style-type: none"> <li>• Classroom furniture</li> </ul> <p>EXAMPLES: Desks, chairs, tables, bookshelves.</p>	<ul style="list-style-type: none"> <li>• Can be used for furniture for special classes: science tables, art stools.</li> <li>• Evidence of meeting all procurement requirements and description of alignment to instructional model may be required in addition to financial documentation.</li> </ul>	<p>IMP</p>
<p>Computer Hardware - Classroom Level Technology</p>	<ul style="list-style-type: none"> <li>• Electronic devices capable of reading, processing, and executing software programs.</li> </ul> <p>EXAMPLES: Laptops, desktops, tablets, servers, wireless access points, charging carts, and classroom-level printers.</p>	<ul style="list-style-type: none"> <li>• Costs may not include monthly service fees or ongoing license fees/renewals. Subscription and license fees are allowable for software purchases.</li> <li>• Classroom-level technology must align with the academic model.</li> <li>• Purchases may not exceed reasonable quantities for the proposed student population. Schools may</li> </ul>	<p>IMP</p>

		<p>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).</p> <ul style="list-style-type: none"> <li>• Evidence of meeting all procurement requirements and description of alignment to instructional model may be required in addition to financial documentation.</li> </ul>	
<p>Computer Software - Classroom Level Technology</p>	<ul style="list-style-type: none"> <li>• Instructional software/programs. May be delivered online or via tangible device (disc).</li> </ul> <p>EXAMPLES: Supplemental literacy programs, virtual instruction systems and tutoring programs.</p>	<ul style="list-style-type: none"> <li>• Costs may not include monthly service fees or ongoing license fees/renewals. Subscription and license fees are allowable for software purchases.</li> <li>• Evidence of supporting professional development around online instructions and/or programs may be required in addition to financial documentation.</li> </ul>	<p>IMP</p>
<p>Curriculum – Curriculum and Textbooks</p>	<ul style="list-style-type: none"> <li>• Textbooks and curriculum, can include textbook binding.</li> </ul> <p>EXAMPLES: Textbooks, supplemental instructional aids, curriculum packages (printed or electronic), student workbooks, teacher guides, etc.</p>	<ul style="list-style-type: none"> <li>• Curriculum must be aligned to the academic model and purchased in quantities that do not exceed the proposed student body for each grade level.</li> <li>• 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.</li> </ul>	<p>IMP</p>

		<ul style="list-style-type: none"> <li>If electronic media (e-books) takes the form of annual subscriptions, license renewals are not allowable.</li> </ul>	
Classroom Library – Classroom Library Books	<ul style="list-style-type: none"> <li>Books for use in individual classroom libraries including fiction and nonfiction books, novels, book series, book sets, etc.</li> <li>May be used as non circulating reference or for student and teacher check-out.</li> </ul> <p>EXAMPLES: Encyclopedia sets, fiction and non-fiction books, novels, book series, and book sets.</p>	<ul style="list-style-type: none"> <li>May include one-time purchase of reusable electronic media (eBooks) if appropriate technology is made available to students.</li> <li>Evidence of integration of classroom library materials into classroom time and/ or instruction may be required in addition to financial documentation.</li> </ul>	IMP
Materials and Supplies - Classroom Level Supplies	<ul style="list-style-type: none"> <li>Student workbooks</li> <li>Testing instruments</li> <li>Expendable items which are consumed as they are used.</li> <li>May include items with a reasonable life expectancy of less than a year.</li> </ul> <p>EXAMPLES: Workbooks, testing materials, manipulatives, toner, student headphones, nonscientific/basic calculators.</p>	<ul style="list-style-type: none"> <li>Expenditures may be grouped as one budget line item, supported by a list of materials and supplies by grade level.</li> <li>Supplies or materials beyond reasonable start-up costs considered recurring expenses are unallowable.</li> </ul>	IMP

Funding Restrictions - 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 with 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.

*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"> <li>● Non-computer hardware for centralized school library/media center use. Durable goods with a reasonable life expectancy of over a year.</li> </ul> <p>EXAMPLES: DVD players, listening stations, paper cutters, label makers, binding equipment, and book carts.</p>	<ul style="list-style-type: none"> <li>● Evidence of meeting all procurement requirements and a description of alignment to the academic model may be required in addition to financial documentation.</li> </ul>	IMP
Furniture, Fixtures and Equipment - School Library/Media Center Furniture	<ul style="list-style-type: none"> <li>● Furniture and fixtures for centralized school library/media center use.</li> </ul> <p>EXAMPLES: Desks, chairs, tables, bookshelves, book return, circulation desk, dictionary stands, book displays, and podiums.</p>	<ul style="list-style-type: none"> <li>● Evidence of meeting all procurement requirements and a description of alignment to the academic model may be required in addition to financial documentation.</li> </ul>	IMP

<p>Computer Hardware - School Library/Media Center Technology</p>	<ul style="list-style-type: none"> <li>Electronic devices capable of reading, processing and executing software programs. Includes peripherals and expansions.</li> </ul> <p>EXAMPLES: Desktops, circulation/check-out hardware, charging carts, tablets, servers, docking stations, monitors, and printers.</p>	<ul style="list-style-type: none"> <li>Evidence of meeting all procurement requirements and a description of alignment to the academic model may be required in addition to financial documentation.</li> <li>Costs may not include monthly service fees.</li> </ul>	<p>IMP</p>
<p>Computer Software School Library/Media Center Software – Purchase and Rental</p>	<ul style="list-style-type: none"> <li>Centralized library/media center software/programs. May be delivered online or via tangible device (disc).</li> </ul> <p>EXAMPLES: Circulation software, digital collections management, office software suite, graphics software, publishing software, and internet tools.</p>	<ul style="list-style-type: none"> <li>Evidence of meeting all procurement requirements and a description of alignment to the academic model may be required in addition to financial documentation.</li> </ul>	<p>IMP</p>
<p>Professional and Technical Services - Technology Installation</p>	<ul style="list-style-type: none"> <li>Costs associated with the installation of instructional networks and hardware.</li> </ul> <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"> <li>Service agreements for purchased services and evidence of completion (i.e., deliverables, etc.) may be required in addition to financial documentation.</li> <li>Capital improvements are not allowable.</li> <li>Costs associated with adding wiring within the walls are not allowable.</li> </ul>	<p>IMP</p>

<p>Professional and Technical Services - Instructional Staff Training</p>	<ul style="list-style-type: none"> <li>• Training for instructional staff designed to contribute to their professional or occupational growth and competence.</li> </ul> <p>EXAMPLES: In-service training, professional development, conferences, workshops, demonstrations, and visits to high-performing charter schools.</p>	<ul style="list-style-type: none"> <li>• If travel is included, the school must use the most economical travel arrangements.</li> <li>• Costs should be one-time related to start-up and not ongoing.</li> <li>• Service agreements for purchased services and evidence of completion (i.e., deliverables, sign-in sheets, etc.) may be required in addition to financial documentation.</li> </ul>	<p>BOTH (PLAN/IMP)</p>
<p>Professional and Technical Services - Instruction and Curriculum Development</p>	<ul style="list-style-type: none"> <li>• Services designed to aid in developing curriculum and understanding techniques for instruction.</li> </ul> <p>EXAMPLES: Consulting fees to develop program goals and objectives, assessment tools, and curriculum.</p>	<ul style="list-style-type: none"> <li>• Costs should be one-time related to start-up and not ongoing.</li> <li>• Service agreements for purchased services and evidence of completion (i.e. deliverables, sign-in sheets, etc.) may be required in addition to financial documentation.</li> </ul>	<p>BOTH (PLAN/IMP)</p>
<p>Professional and Technical Services – Teacher and Leader Evaluation</p>	<ul style="list-style-type: none"> <li>• Services related to the development of teacher and leader evaluation tools and a strategy for implementation.</li> </ul>	<ul style="list-style-type: none"> <li>• Costs should be one-time related to start-up and not ongoing.</li> <li>• Service agreements for purchased services and evidence of completion (i.e. deliverables, sign-in sheets, etc.) may be required in addition to financial documentation.</li> </ul>	<p>BOTH (PLAN/IMP)</p>

<p>Library Books School - Library/Media Center Books</p>	<ul style="list-style-type: none"> <li>Books for use in centralized school library/media center. May be used as non-circulating reference or for student and teacher check-out.</li> </ul> <p>EXAMPLES: Encyclopedia sets, fiction and non-fiction books, novels, book series, and book sets.</p>	<ul style="list-style-type: none"> <li>May include one-time purchase of reusable electronic media (e-books).</li> <li>Evidence of integration of the school library/ media center materials into the academic program may be required in addition to financial documentation.</li> </ul>	<p>IMP</p>
<p>Salaries – Additional Support Roles<sup>3</sup></p>	<ul style="list-style-type: none"> <li>Includes salaries to be paid to employees of the school filling positions not required for the academic program yet providing a significant positive impact on student outcomes.</li> </ul> <p>EXAMPLES: interventionist, data coordinator, etc.</p>	<ul style="list-style-type: none"> <li>Job description and time and effort may be required in addition to financial documentation.</li> </ul>	<p>PLAN</p>
<p>Travel – Travel, Lodging, and Registration</p>	<ul style="list-style-type: none"> <li>Travel costs to attend conferences and training workshops including all professional development, and site visits to other schools.</li> </ul>	<ul style="list-style-type: none"> <li>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</li> </ul>	<p>PLAN/ IMP</p>

<sup>3</sup>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. For the Planning Period: subgrantees may use CSP funds to cover essential staff (teachers, school leaders, and specialized instructional support personnel) during the Planning period.

		<p>in addition to financial documentation.</p> <ul style="list-style-type: none"> <li>• The most economic travel arrangements must be used.</li> </ul>	
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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 with 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 to decipher the difference in additional tasks covered by the grant. CSP funds cannot cover teacher salaries once a school is open. CSP funds can cover stipends paid to teachers for professional development related to the school model.
6. 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 the 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.
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 purchases.

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"> <li>School Association fees or dues for membership.</li> </ul> <p>EXAMPLES: DVD players, listening stations, paper cutters, label makers, binding equipment, and book carts.</p>	<ul style="list-style-type: none"> <li>First-year annual fees/dues ONLY</li> <li>Dues payable to the Missouri Charter School Association are not allowable under this grant.</li> </ul>	IMP
Insurance and Bond Premiums	<ul style="list-style-type: none"> <li>Insurance prepaid for up to one year.</li> </ul> <p>ALLOWABLE TYPES: Property, officers and directors' liability, fidelity bond, commercial liability, employee liability</p>	<ul style="list-style-type: none"> <li>Costs allowable one-time ONLY during Planning OR Implementation Year 1 (not allowable in both phases).</li> </ul>	EITHER (PLAN/IMP)
Furniture, Fixtures and Equipment - Administrative Furniture	<ul style="list-style-type: none"> <li>Front office furniture.</li> </ul> <p>EXAMPLES: Desks, chairs, tables, and fireproof filing cabinets.</p>	<ul style="list-style-type: none"> <li>Evidence of meeting all procurement requirements and demonstrated student demand and enrollment may be required in addition to financial documentation.</li> <li>Purchases may not exceed reasonable quantities for the proposed administration.</li> </ul>	BOTH (PLAN/IMP)
Furniture, Fixtures and Equipment - Cafeteria Furniture and Equipment	<ul style="list-style-type: none"> <li>Cafeteria furniture and equipment</li> </ul> <p>EXAMPLES: Refrigerators, ovens,</p>	<ul style="list-style-type: none"> <li>Evidence of meeting all procurement requirements and demonstrated student demand and enrollment may be required in</li> </ul>	IMP

	and tables (if they are removable)	addition to financial documentation.	
Computer Hardware - Administrative Technology	<ul style="list-style-type: none"> <li>Electronic devices capable of reading, processing, and executing software programs. Includes peripherals and expansions.</li> </ul> <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"> <li>Evidence of meeting all procurement requirements and demonstrated student demand and enrollment may be required in addition to financial documentation.</li> <li>Costs may not include monthly service fees.</li> </ul>	BOTH (PLAN/IMP)
Computer Software, Administrative Software – Purchase and Rental	<ul style="list-style-type: none"> <li>Administrative software/programs. May be delivered online or via tangible device (disc).</li> </ul> <p>EXAMPLES: Inventory software, visitor registration software, office suite licenses for front desk and administrative staff.</p>	<ul style="list-style-type: none"> <li>Evidence of meeting all procurement requirements and demonstrated student demand and enrollment may be required in addition to financial documentation.</li> </ul>	IMP
Materials and Supplies – Administrative Consumable Supplies	<ul style="list-style-type: none"> <li>Includes expendable items that are consumed as used such as paper, pencils, staples, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Expenditures may be grouped as one budget line item, supported by a list of materials and supplies needed.</li> </ul>	BOTH (PLAN/IMP)

Materials and Supplies – Administrative Postage	<ul style="list-style-type: none"> <li>Postage for student and parent communication including newsletter distribution, enrollment packages, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Must be fully expended during the grant period.</li> <li>Justification for the quantity of mailed items may be required in addition to financial documentation.</li> </ul>	BOTH (PLAN/IMP)
Communications - Postage	<ul style="list-style-type: none"> <li>Postage for informational mailings at the non-profit rate to promote new school programs/opening.</li> </ul>	<ul style="list-style-type: none"> <li>Must be fully expended during the grant period.</li> <li>Justification for the quantity of mailed items may be required in addition to financial documentation.</li> </ul>	BOTH (PLAN/IMP)
Other Purchased Services - Outreach and Recruitment	<ul style="list-style-type: none"> <li>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.</li> </ul> <p>EXAMPLES: Design and printing of brochures and postcards, radio spots,</p>	<ul style="list-style-type: none"> <li>All outreach materials must include registration information and state the school is a tuition-free public charter school.</li> <li>Materials must be specific to school opening/expanding.</li> <li>Materials must be fully distributed during the grant period.</li> <li>Clearly articulated outcomes for each expenditure may be required in addition to financial documentation.<sup>4</sup></li> <li>The program office may require pre-product proof to verify compliance.</li> <li>School signage may not comprise capital</li> </ul>	BOTH (PLAN/IMP)

<sup>4</sup>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: 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.

	television ads, website design, newspaper ads, and outreach consultant.	improvement (i.e., cannot be permanent).	
Furniture, Fixtures and Equipment - Playground Equipment Bleachers	<ul style="list-style-type: none"> <li>Playground structures and equipment.</li> </ul> <p>EXAMPLES: Playscapes, tetherball sets, swing sets, portable basketball hoops.</p>	<ul style="list-style-type: none"> <li>Cannot be permanently affixed to facilities.</li> <li>Ground cover and enclosures (fencing, landscape border) are not allowable.</li> <li>Capitalized improvements/ construction (engaging an architect, or engineer) are not allowable.</li> <li>All equipment should be reasonable to the population size and age.</li> <li>CSP Non-Regulatory Assurances must be met prior to approval of budget request.</li> <li>Evidence of meeting all procurement requirements and evidence of mobility of all purchased equipment may be required in addition to financial documentation.</li> </ul>	IMP
Professional - Technical Consulting Services	<ul style="list-style-type: none"> <li>Costs for services related to start-up expenses and organization development.</li> </ul> <p>EXAMPLES: Legal costs for lease and charter contract negotiations, bylaws, policies, consulting fees to develop organization policies and business plans, accounting</p>	<ul style="list-style-type: none"> <li>Cost allowable ONLY during Planning OR Implementation.</li> <li>Contract inclusive of scope of work may be required in addition to financial documentation.</li> </ul>	EITHER (PLAN/IMP)

	professional to develop internal controls, accounting systems, and auditable financial processes/reporting.		
Professional - Consulting Services	<ul style="list-style-type: none"> <li>• First-year audit report.</li> </ul>	<ul style="list-style-type: none"> <li>• Cost allowable one-time ONLY during Implementation.</li> </ul>	IMP
Facility Expense – Mortgage or Lease Expenses	<ul style="list-style-type: none"> <li>• Mortgage, lease, or rent payment for the school facility.</li> </ul>	<ul style="list-style-type: none"> <li>• Cost allowable ONLY up to 3 months prior to the school opening date.</li> <li>• Copy of the 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.</li> </ul>	PLAN
Renovation – Minor Repairs	<ul style="list-style-type: none"> <li>• Facilities repairs to keep facilities in efficient operating condition.</li> </ul>	<ul style="list-style-type: none"> <li>• Renovation and repairs cannot increase the permanent value of the property nor appreciably prolong its intended life.</li> <li>• Copy of the 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.</li> </ul>	BOTH (PLAN/IMP)

<p>Salaries - Essential Staff Salaries</p>	<ul style="list-style-type: none"> <li>Amount paid to essential employees of the school during the pre-opening period.</li> </ul> <p>EXAMPLES: School principal/director, recruitment specialist, office manager to assist with registration, teachers (for planning only).</p>	<ul style="list-style-type: none"> <li>Allowable for principal and other essential staff for the planning period.</li> <li>Job description and time and effort tracking may be required in addition to required financial documentation.</li> </ul>	<p>PLAN</p>
<p>Transportation</p>	<ul style="list-style-type: none"> <li>Start-up costs for student transportation.</li> </ul> <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"> <li>Evidence of adherence to purchasing and procurement policy and evidence of transportation plan and community need assessment may be required in addition to financial documentation.</li> </ul>	<p>IMP</p>
<p>Travel - Travel, Lodging, and Registration</p>	<ul style="list-style-type: none"> <li>Travel costs for principal and Board to attend conferences and training.</li> </ul> <p>EXAMPLES: Training and professional development, site visits to other high-performing charter schools.</p>	<ul style="list-style-type: none"> <li>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.</li> <li>The most economical travel arrangements must be used.</li> </ul>	<p>IMP</p>

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. <b>PROMOTIONAL ITEMS ARE NOT ALLOWABLE UNDER ANY CATEGORY, INCLUDING OUTREACH AND RECRUITMENT</b>
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) 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