



85/15

Direct Service to Pupils, Administrative, Indirect Costs

The Policy Committee of the Expanded Learning Division



Presentation Objectives

- To inform grantees of the requirements of 85/15
- To identify the common issues that grantees face with 85/15
- To provide resources



Questions?

- Please feel free to ask questions in the chat box. We will stop to answer them throughout the presentation



Education Code References

- Pursuant to California *Education Code (EC)* sections 8426(c)(1)(2) (After School Safety and Enrichment for Teens [ASSETs]), 8483.9(a)(b)(c) (ASES), 8484.8(e)(4)(B) (21st Community Learning Centers [CCLC]), a program participant receiving state funding may allocate no less than 85 percent of the total grant amount to school sites for direct services; and spend no more than 15 percent of the amount of the grant for administrative costs, including indirect costs.

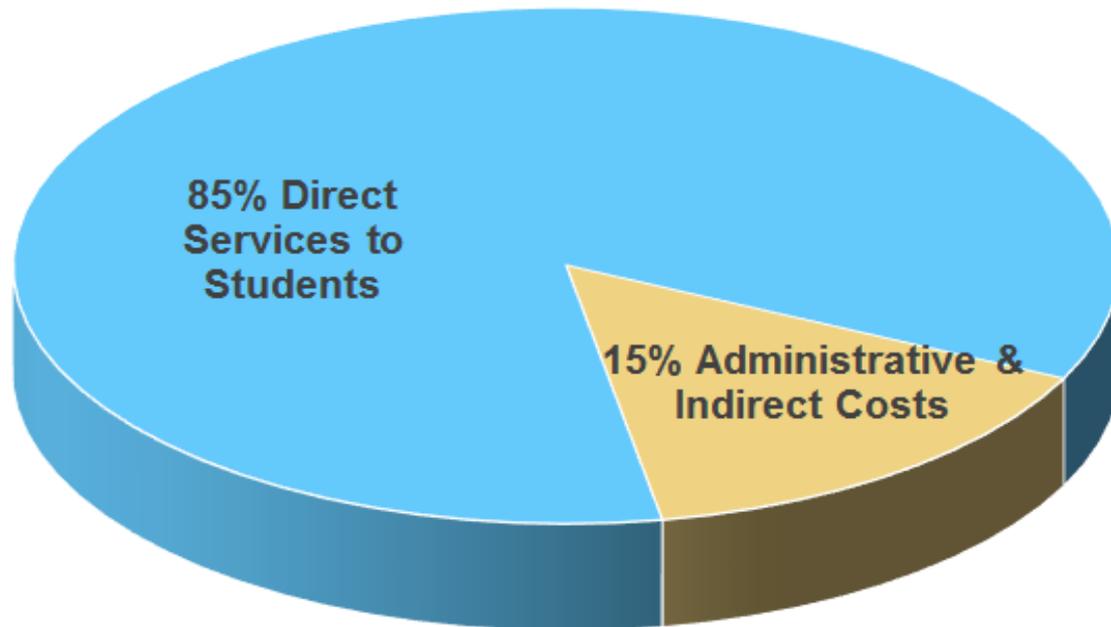


Education Code References

- Pursuant to *EC* sections 8426(c)(2) (ASSETs), 8483.7(c) (After School Education and Safety [ASES]), 8484.8(e)(4)(C) (21st CCLC), in addition to the funding allowed for administrative costs (discussed above), a grantee may spend up to 15 percent of the first year's annual grant award for startup costs.

85/15 Diagram

Grant Amount



What Are Direct Services? (1)

Direct services to students are those services that are typically delivered at the school site and where the students are the direct recipients or beneficiaries of the services.





What Are Direct Services? (2)

Expenditures for personnel and services are justified as direct services and can be included in the 85 percent if:

- The personnel are providing direct, hands-on services to students.
- The services being provided are so integral to the program that absence of the services would affect the quality of the program itself and the success of students.

Examples include: Professional development for program staff, parent education and involvement activities, staff development, and coaching.

What Are Direct Services? (3)

- The funds are used to purchase materials and equipment to be used by eligible students.
- The funds support the analysis and use of student performance data that is then used to inform services for eligible students.



What Are Direct Services? (4)

Question—Is the cost of the Site Supervisor considered a direct service?

Answer—Per *EC* Section 8483.9(c), the cost of a program Site Supervisor may be included as direct service provided that at least 85 percent of the Site Supervisor's time is spent at the program site.



What are Administrative Costs?

Administrative costs are the costs of personnel and supplies which are administrative in nature and do not have a direct relationship to support students in the program. These costs must support the funded program.

Examples of Administrative Costs

- Expenditures considered administrative, include:
 - Local Educational Agency (LEA)/ Community Based Organization (CBO) administrative personnel
 - LEA/CBO program personnel
 - LEA/CBO program evaluation
 - LEA/CBO advisory councils
 - General staff development not related to expanded learning



For additional guidance, please visit the following Webpage:
<https://www.cde.ca.gov/ls/ex/directservguidance.asp>



What are Indirect Costs?

- Indirect costs are agency-wide, general management costs (i.e., activities for the direction and control of the agency as a whole).
- General management costs consist of administrative activities necessary for the general operation of the agency, such as accounting, budgeting, payroll preparation, personnel services, purchasing, and centralized data processing.



All About Indirect Costs

- Indirect costs may not exceed 5 percent of the total grant award OR the California Department of Education(CDE)-approved Indirect Cost Rate, **whichever is less.**
- Indirect costs together with the administrative costs cannot exceed 15 percent.
- CDE approved Indirect Cost Rate can be found on the CDE Web site at <http://www.cde.ca.gov/fg/ac/ic/index.asp>



Direct Service or Administrative? (1)

- Curriculum materials
- General staff development activities not related to specific pupil needs
- Field trips consistent with the purposes of the categorical programs
- Contract services, including personal services of instruction consultants to work with eligible pupils and to work with teachers who have special needs to upgrade their skills in particular instructional areas for the direct benefit of pupils



Direct Service or Administrative? (2)

- Mileage for administrators going to and from meetings
- Mileage for traveling to and from school sites for purposes of direct instruction or delivery of staff development activities
- District program evaluation or review activities
- Walkie talkies used at site



Direct Service or Administrative? (3)

- Benefits (sick leave, vacation, health) of front line staff
- Fingerprinting
- Front line staff T-Shirts
- Curriculum development
- Program Director cell phone
- Volunteer recruitment
- Sports league



85/15 Verification

When expenditures fall into a gray area, carefully evaluate the nature and extent of the benefit to the student by asking:

- How direct is the benefit to the students?
- Does the expenditure have a clear education or enrichment impact on the expanded learning program?

Game Time

We will ask an 85/15 related question. If you think you know the answer, write that answer in the chat box

True or False:

A grantee may purchase shirts for staff to thank them for perfect attendance

False

Finish this sentence: indirect costs rates may not exceed 5% or the CDE approved cost rate, whichever is _____

Less

If a grantee has spent \$5,000 too much on administrative costs, how do they reconcile/resolve the finding?

Transfer funds from an unrestricted general fund to the current year program

If the CDE approved indirect cost rate is 2%, what is the maximum amount a grantee can claim for admin?

13%

True or False:

Rewarding students for homework completion with a popcorn party is allowable

False

True or False:

If an administrative staff wants to charge time to direct service, they need to keep track of every site they work at and charge each site accordingly

True

True or False:

If a teacher works in the classroom 6 hours a day and in the after school program 2 hours a day, the teacher can charge 25% of their salary to the after school program

False

True or False:

Family fees collected are not subject to 85/15 requirements

True

Direct Service or Admin:
Professional Development for
staff on social emotional learning

Direct Service

True or False:

85/15 is applied to the full grant amount, not the amount that has been expended

False

Direct Service or Admin: Advisory Councils

Admin

First year grantees can spend
what percentage of the grant
amount on startup costs?

15%

What % does a site coordinator
needs to be at site to count
100% of their time towards direct
service?

85%

True or False:
Evaluation is considered an
administrative cost

True

Let's Keep the Conversation Going!

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