

# Innovative School Models (ISM)

## Frequently Asked Questions

### Monitoring

#### 1. **What are the reporting guidelines and timeline?**

Monitoring reports can be completed in ePlan. Monitoring reports for all awardees are due on the following dates over the life of the grant:

- Jan. 30, 2024
- Jan. 30, 2025
- Jan. 30, 2026
- Oct. 30, 2026

Additional [monitoring guidance](#) can be found on the [Tennessee Department of Education \(department\) website](#).

#### 2. **What are the steps to completing a monitoring instrument?**

Grant awardees should log in to ePlan to find the monitoring instrument. The first click in ePlan monitoring is *draft started*. Once the draft is complete, the awardee should click *draft completed*. The grant then requires a *Local Education Agency (LEA) Authorized representative approval*. The department then reviews the monitoring instrument and places it in either *LEA monitoring results reviewed* or *LEA monitoring results returned* status. If placed in returned status, the awardee should review the history log for information on any necessary revisions. If in reviewed status, the grantee's final click is *LEA results review started*. Then the department moves the monitoring into *monitoring closed* status.

### Budget

#### 3. **What are the expectations on spending?**

Awardees should plan for and execute their programming with a sense of urgency once the awardee feels confident about their vision, planning, implementation, and sustainability. There are no set spend-down expectations, however, all funds must be obligated by June 30, 2026, and be liquidated by Sept. 30, 2026. Grantees will be assessed during monitoring on the progress of spend down and whether they appear to be on track to meet the designated timelines as follows:

- Jan. 30, 2024, monitoring window:
  - Exceeds Expectations: Awardee spent any amount and self-reported "yes" as they are on track to spend down within the period of allowability.
  - Met Expectations: Awardee spent any amount and self-reported "no" as they are not on track to spend down within the period of allowability. However, the awardee has a clear plan for spending in the future.
  - Improvement Recommended: Awardee has not spent any funds and self-reported "no" as they are not on track to spend down within the period of allowability and/or awardee noted a need to revise the current plan due to inability to spend down. Consultation support will be provided.

- Jan. 30, 2025, monitoring window:
  - Exceeds Expectations: Awardee has spent down as anticipated in the grant application and self-reported “yes” as they are on track to spend down within the period of allowability.
  - Met Expectations: Awardee has made some progress on spending; however, they have not met anticipated spending based on annual budgeting notes.
  - Improvement Recommended: Awardee has made no progress on spending and/or the awardee marked “no” as they are not on track for spending. Consultation support will be provided.
- Jan. 30, 2026, monitoring window:
  - Exceeds Expectations: Awardee has spent down as anticipated in the grant application and self-reported “yes” as they are on track to spend down within the period of allowability.
  - Met Expectations: Awardee has made some progress on spending; however, they have not met anticipated spending based on annual budgeting notes, but the awardee marked “yes” as they are on track for spending.
  - Improvement Recommended: Awardee has made some progress on spending; however, they have not met anticipated spending based on annual budgeting notes, and the awardee marked “no” as they are not on track for spending. Consultation support will be provided.
  - Correction Needed: Awardee has made no progress on spending. Spend down plans will be set for the remainder of the grant to ensure spend down before the end of the allowability period.

**4. Do awardees need an approved application before spending each year?**

Awardees may not obligate or pay expenditures without an approved funding application. Awardees cannot seek reimbursement retroactively even if they align with the application. Awardees should make any revisions needed PRIOR to any changes in spending. Expenditures approved in the previous year’s application may be obligated or purchased during the re-approval window for the following fiscal year. However, reimbursements may not be requested until the application for the current fiscal year is in approved status.

**5. Will funds need to be spent or invoiced before the school will receive grant dollars?**

Yes, awardees must seek reimbursement. As funds are drawn down, schools will need to submit receipts and/or invoices. All documentation of expenditures should be kept on file and be accessible should it be requested during an audit process.

**6. What is the maximum the awardee could seek reimbursement for each year?**

The awardee is not held to a maximum reimbursement each year provided the budget and plan allow for the expenditures and the reimbursements do not exceed the total maximum amount.

**7. Will the funds from this fiscal year automatically roll into the next year?**

The awardee must complete the current year's final expenditure report (FER) before new year funds can be uploaded into ePlan. Districts can begin the FER on July 1. The FER is required to be completed by Oct. 1. Once the FER is approved by the department, funding applications for the new year will open. Funds will be available to obligate during this time provided the budget and plan allow for the expenditures. However, reimbursements cannot be requested until the new year's budget application is in approved status. All funds must be obligated by June 30, 2026, and reimbursements must be complete by Sept. 30, 2026.

**8. How do I keep track of these grant funds separately from the other grants I have received?**

Districts are required to assign a cost center or program code in order to identify expenditures.

**9. What process will districts need to follow to revise/update their budgets?**

After the funding application is approved by the department, the LEA may revise the application to amend one or more budget or program items. The application process flows in the same manner as the original submission.

**10. Are LEAs encouraged to braid funds?**

Districts are encouraged to braid funds to maximize student outcomes. For more information on braiding funds, access the Federal Spending Handbook. It is important to keep in mind that supplement not supplant provisions still apply to respected federal grants. For more information on the supplement not supplant provisions, access the department's [Supplement Not Supplant Guidance](#).

**11. Will districts be able to budget Indirect Costs in the funding application?**

No, the district will not be able to budget Indirect Costs in the funding application.

**12. What is the revenue code that should be used?**

The code to use is 46790.

**13. Will cost centers be required?**

Yes, a cost center will be needed so that districts can pull reports specific to this grant.

**14. If there is a school that doesn't need their full allocation amount, can those unused funds be used at another school?**

No, districts should only request the amount of funds needed by each school. Unused funds cannot be transferred to another school within the district.

## Building/Facilities Upgrades

**15. The original guidance said there was a ten percent limit on facilities. Is there any flexibility if I have a new building planned that is necessary to launch my program?**

The intent of the ISM funding is to expand high-quality ISMs that enhance students' career-oriented educational experiences and/or career navigation and advising, not to supplement or supplant other facility projects (e.g., heating, ventilation, and air conditioning (HVAC); and window replacement). If the

facility expenditure request is to create stronger or new programming, then it is aligned to the grant and may exceed the ten percent limit. The district must demonstrate in the application that any additional funds used for capital outlay do not hinder the development and implementation of other programming and services necessary within an ISM. Any revisions to include facility upgrades in year three (3) or four (4) of grant expenditures still need to meet this expectation within the grant narrative within both the action steps and the budget narrative boxes.

**16. *Can purchasing a mobile unit for additional classroom space be allowable under the grant?***

Mobile labs are allowable purchases. Awardees must provide sufficient justification of need within the application. Additionally, the awardee must demonstrate in the application that any additional funds used for capital outlay do not hinder the development and implementation of other programming and services necessary within an ISM.

**17. *Does the Davis-Bacon Act apply to facilities improvements with these funds?***

The Davis-Bacon Act applies when any amount of federal funding is being used toward the completion of a project. ISM grants are primarily state funding. Exact funding distributions can be found in the awardee's Grant Award Notification (GAN) or by contacting [Elizabeth.M.Norton@tn.gov](mailto:Elizabeth.M.Norton@tn.gov). Awardees are advised to consult with their local board attorneys to determine whether Davis-Bacon is applicable to their project.

**18. *Is a mobile career exploration lab considered a capital outlay project?***

No. Mobile career exploration labs should be coded to the transportation equipment line item within your budget.

## **Consumables**

**19. *Are consumables allowed?***

Yes. Consumables that align with the purpose of the grant are allowable.

**20. *Is there a cap on consumables?***

Yes. Consumables are limited to five percent of the budget. Line item 71300-429C should be used for consumables.

**21. *Can food be provided during summer career camps and other learning experiences?***

No. These grant funds cannot be spent on food for those purposes. Food that is to be used as instructional material for coursework completion is allowable (e.g., culinary arts).

## **Equipment**

**22. *Can equipment be purchased for a site that is not the school, such as an industry location that is partnering with the district in submitting the grant proposal?***

Yes. The ownership of the equipment and tracking (i.e., inventory) must remain with the district. At the end of the partnership, the equipment must be returned to the district, meaning purchases must be

transferable. The district has the discretion to relocate any equipment or supplies at any time based on student need.

## **Furniture**

### **23. *Is furniture allowable?***

Furniture is allowable if it aligns with the program application and student needs.

## **Industry Credentials**

### **24. *Can funds be spent on industry credentials for students?***

Yes. Funds can be spent on industry credentials for students.

## **Inventory**

### **25. *What are the inventory responsibilities for equipment purchases?***

There should be a master inventory list that contains all the required data points, including the source of funds used to purchase the equipment. A template is provided in ePlan. Inventory tags should also be applied to equipment purchases and note the appropriate source funding (i.e., ISM and/or ESSER 3.0 when applicable).

## **Marketing**

### **26. *Are billboards an allowable expense for program awareness?***

No. This is not a reasonable or necessary expense.

### **27. *Are video production costs an allowable expense for program awareness?***

Yes, provided the costs are reasonable and the needs for these videos are expressed within the grant project.

### **28. *Is postage for mailing newsletters about program(s) to parents and students an allowable expense?***

Yes. This is an allowable expense.

## **Professional Development**

### **29. *Could the grant funds be used to pay for conferences, related costs, professional development, and travel?***

Yes. Professional development, conferences, travel, and related costs are an allowable cost of up to two (2) percent of the total award amount.

### **30. *Can these funds be used to support a teacher in earning a specialized master's degree relevant to the purposes of their proposal?***

No. This is not allowed.

## Reimbursement

**31. *Is it allowable for a purchase to be made with a personal credit card and be reimbursed? For example, a vendor that only accepts credit cards (no POs or debit cards), and the school does not have a credit card.***

That would be acceptable if it aligns with LEA policy. The purchase cannot be tax-exempt if the card is not in the school's name. Documentation, including the receipt and a copy of the credit card statement (with personal information redacted), would be needed. Taxes are not reimbursable.

## Staff

**32. *Can grant funds be used to hire personnel?***

Yes. Funds may be used for personnel, provided these positions directly impact and support the grant proposal/project. All positions should be clearly noted in the sustainability plan.

**33. *Can we pay for positions that are already in place but will be shifted to this new work using ISM funds once our application is approved?***

Yes. However, please be mindful of the funding sources when shifting positions. *Supplement not supplant* rules may apply when shifting between some funding sources. Please reach out to [Elizabeth.M.Norton@tn.gov](mailto:Elizabeth.M.Norton@tn.gov) or your fiscal consultant for guidance on any specific position shifts.

**34. *If grant funds are used to pay salaries or stipends, do districts need to follow the percentage model indicated in Perkins Basic?***

Yes, using a percentage-based scaling model supports sustainability of salaries. For example, the salary/stipend should be decreased over the life of the grant following at a minimum this scale:

- 100 percent for year one of grant implementation (If a district began spending after July 1, 2023, then FY24 would be year one of the grant.),
- 75 percent for year two,
- 50 percent for year three, and
- 25 percent for year four.

If you add a new position in year two of implementation and beyond, the expectation is that you scale down the amount paid for the remaining years. (For example, if you start a position in year two of implementation, you start at 75 percent and then scale down accordingly.) Districts unable to scale down and meet the sustainability of the role may request an exemption to this rule provided they have a strong justification, a clear sustainability plan, and the role is necessary to their grant proposal/project.

## Sustainability

**35. *What is the responsibility of the school or LEA after the grant period ends?***

This one-time investment is intended to redesign and transform the middle and high school experience. Awardees were required to develop a sustainability plan that aligned with their grant application. Awardees are required to revisit and revise that plan annually to ensure they are meeting the long-term expectations of this grant. Adjustments to grant expenditures (i.e., programming or positions) after the life of the grant should be made by conducting a thorough needs assessment, and budget decisions should align with the needs of the students and the district.

## Tuition

### **36. *Is dual enrollment tuition allowable?***

Yes. ISM funds allocated for tuition should be used to cover any tuition gaps remaining after Dual Enrollment Grant funding has been applied. Tuition must be capped at \$1,000 per student annually. Exceptions to the cap may be requested as needed to adjust to potential changes in tuition costs over the life of this grant. Awardees will be required to demonstrate partnerships with industry and higher education institutions to provide sustainable matching dollars. Student outcomes should inform discussions with partners to promote support of tuition gaps beyond the funding period. Tuition gap assistance for students should be provided in a manner that promotes access for all students, ensuring that the additional support enables students with barriers to participate. Awards may not exceed the cost of tuition and fees established for Tennessee community colleges or the cost of tuition and fees associated with the average attempted clock hours weighted by program participation for Tennessee College of Applied Technology (TCAT) institutions. Districts will be responsible for developing and submitting written criteria for initial student eligibility and continued student eligibility for ISM tuition gap assistance if identified in the submitted budget. **Funds allocated for tuition must not exceed 20 percent of the annual award for each year.**

### **37. *Can student scholarships be paid for with grant funds?***

Yes. Awardees are encouraged to create competitive scholarship programs for equipment and instructional materials needed for course access with student buy-back options that consider student needs (i.e., textbooks or safety gear). These grant funds cannot be used as gifts or incentives for students. These grant funds cannot be used to establish college scholarship awards following graduation.

## Transportation

### **38. *Are transportation costs or new transportation vehicles an allowable cost under this grant?***

Transportation costs or new transportation vehicles could be an allowable expense if used to support grant activities or programs and if they further the grant's intent. Examples include vehicles purchased to transport students to work-based learning (WBL) or buses purchased to provide transportation to college visits, employer sites, or postsecondary institutions for coursework.

## Work-Based Learning

### **39. *Can districts pay students a stipend for participating in WBL or pay wages for hours worked at the internship?***

No. A district cannot use grant funds to pay students a stipend for participating in WBL nor wages for hours worked at an internship, including a district paying for student wages in place of an employer.

### **40. *Can the grant funds be used to pay employers a stipend for serving as mentors or offering WBL?***

No. This is not allowable.

**41. *Can the high school provide students with a gas card, a gas stipend, or reimbursement for mileage to and from a WBL experience?***

No. Gas reimbursement or payment to students is not allowable.