



Leveraging Use of the Reserve Fund

What does Perkins V say?

Perkins V offers greater flexibility than prior laws. Section 112 (c) allows states to set aside up to 15% of their allocation for a “reserve fund,” which can be used to address the specific needs of their state. The reserve fund must be used to foster innovation and promote programs of study or career pathways that align with the priorities of the state in:

- rural areas;
- areas with high percentages of CTE concentrators or participants;
- areas with high numbers of CTE concentrators or participants;
- or areas with gaps in performance.

What are the questions to consider?

If you previously used the reserve authority in the Perkins IV statute:

- In what ways did it advance your state’s vision and goals for career and technical education?
- In what ways, if any, did your efforts to use the reserve fall short of expectations?
- How can you best use the updated reserve authority in the Perkins V statute to advance innovation in your state’s career and technical education programs?
- What are the pros and cons of using a formula versus competitive approach to distribute reserve funds?

If you did not previously use the reserve authority in the Perkins IV statute:

- What was your rationale for not using the reserve and to what extent have those factors changed as you move into the implementation of Perkins V?
 - How can you best use the updated reserve authority in the Perkins V statute to advance innovation and combat existing challenges in your state’s career and technical education programs?
 - What are the pros and cons of using a formula versus competitive approach to distribute reserve funds?
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Where should I go for more information?

- *How Can States Invest More in Innovation Through Perkins Reserve Funds?*
By ExcelinEd
<https://www.excelined.org/edfly-blog/askexcelined-perkins-reserve/>
- *Leveraging Federal Policy to Strengthen Rural CTE*
By Advance CTE
<http://blog.careertech.org/?p=13833>
- *Perkins V: How Can States Expand Access to High-Quality CTE in Rural Communities?*
By Advance CTE
<http://blog.careertech.org/?p=15492>