

# BUDGETING COSTS GUIDANCE HANDBOOK

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## Introduction

The purpose of this handbook is to provide individuals responsible for managing Texas Education Agency (TEA) federal grants with guidance on how to determine allowable costs and budget items by class/object code in accordance with grant requirements. The following information is presented:

- Use of Federal Cost Principles
- Costs That Require Specific Approval
- Costs That Do Not Require Specific Approval
- Unallowable Costs
- Use of Federal Funds for Conferences and Meetings
- Other Specific Items of Cost

This handbook is designed to be viewed in electronic form, with web links taking the form of anchor text (the [TEA home page](#)) rather than URLs (<http://tea.texas.gov/>). With feedback on this handbook, including topics that should be included in future versions, please email the Division of Grants Administration at [grants@tea.texas.gov](mailto:grants@tea.texas.gov).

## Online Resources

The websites mentioned throughout this handbook are listed here for ease of reference, along with the description of how to navigate to them from the [TEA home page](#).

## Grants Page

The Grants page is produced by the Division of Grants Administration (512-463-8525; [grants@tea.texas.gov](mailto:grants@tea.texas.gov)). You can reach the page as follows:

From the [TEA home page](#), hover over the Finance and Grants section at the top of the page.

From the menu that opens, select the [Grants](#) link.

## Use of Federal Cost Principles

### Education Department General Administrative Regulations (EDGAR)

Under the new federal regulations that became effective December 26, 2014, all organizations receiving federal education grants on or after this date are subject to one set of federal principles for determining allowable costs. These federal cost principles are published in the U.S. Department of Education's Education Department General Administrative Regulations (EDGAR). The goal of the federal cost principles is to define a standard approach to the determination of what costs are allowable and to help ensure compliance with federal grant requirements.

The federal cost principles are incorporated into EDGAR as listed in the following table.

<b>"Old" EDGAR</b>	<b>"New" EDGAR after 12/26/14</b>
OMB Circulars A-89, A-102, A-110	2 CFR Part 200, Subparts B, C, and D
OMB Circulars A-21, A-87, A-122	2 CFR Part 200, Subpart E
OMB Circulars A-133, A-50	2 CFR Part 200, Subpart F
EDGAR Parts 75 to 99	EDGAR Parts 75-79 and 81-99
EDGAR Parts 74 and 80	Incorporated into EDGAR

The new EDGAR applies to federal grants awarded to TEA or from USDE to a grantee on or after December 26, 2014. The prior EDGAR applies to federal grants awarded prior to December 26, 2014.

For more information on the new EDGAR, visit the [TEA EDGAR webpage](#). You can find the EDGAR webpage from the TEA homepage by going to [www.tea.texas.gov](http://www.tea.texas.gov). Under the Finance and Grants section at the top of the page, select the Administering a Grant link. Once on this page, go to the section called The New EDGAR.

## **Costs That Require Specific Approval**

Certain items and services budgeted in the grant application must be broken out in detail because they require specific approval from TEA. Changes to approved budgets must be made through an application amendment. Not all costs are required to be budgeted as line items. Many costs do not require specific approval, as described in the next section, *Costs that Do Not Require Specific Approval*.

### **Professional and Consulting Services**

#### **Definition**

Use the following definitions to determine how to categorize services that are budgeted in class/object code 6200. Included in these categories are professional services, consulting services, and contracted services rendered by firms, individuals, and other organizations not on the subgrantee's payroll. All items requested must be allowable under the authorizing program statutes, regulations, rules, and guidelines.

All professional and consulting services require specific approval.

#### **Professional Services**

Professional services (6219) are limited to the following specific professions:

- Architecture
- Landscape architecture
- Land surveying
- Medicine
- Optometry
- Professional engineering
- Real estate appraising
- Professional nursing
- Accounting (i.e., certified public accountant)

These professions are required to be licensed or registered with the state. Professional services are delivered by an independent contractor (individual, entity, or firm) that offers its services to the public. Such services are paid on a fee basis for specialized services that are usually considered to be temporary or short-term in nature, normally in areas that supplement the expertise of your organization.

#### **Consulting Services**

Consulting services (6291) are those services delivered by an independent contractor (individual entity or firm) who is not on your organization's payroll and who offers its services to the public. "Consulting services" refers to the practice of helping districts to improve performance through analysis of existing problems and development of future plans. Consulting may involve the identification and integration of best practices, analytical techniques, change management and coaching skills, technology implementations, strategy development, or operational improvement.

Consultants often rely on their outsider's perspective to provide unbiased recommendations. They generally bring formal frameworks or methodologies to identify problems or suggest more effective or efficient ways of performing tasks. Consulting services cover all functional areas such as instruction, curriculum, and administration. Consultants must be selected based upon demonstrated competence, qualifications, experience, and reasonableness of proposed fees.

Consulting does not include routine service/activity that is necessary to the functioning of a school district's programs, such as hiring additional people on contract to supplement present staff. It also does not apply to services provided to conduct organized activities such as training, professional development, or other similar educational activities.

Consulting services does not include contracted services provided by an ESC, including data management/data processing services, accounting or bookkeeping services, printing services, media services, special education services, career and technical education services, staff development, curriculum development, and drug prevention training, which are contracted services that do not require specific approval unless otherwise specified.

All subcontracts that are not awarded competitively must be awarded as cost reimbursement contracts (i.e., budgeted by object of expenditure and reimbursed at actual costs) and not as fixed-price contracts. The same federal cost principles apply to all professional services or consulting services subcontracts when the subcontract is a cost reimbursement contract. All subgrants must be awarded as cost reimbursement grants.

Travel costs for consultants will be budgeted in 6200 and must be reasonable and necessary. Consultant costs must also include costs for any materials provided by consultants.

Professional and contracted services funded from payments to SSA member districts are also budgeted in 6200.

For procurement contracts under which a contracted person will have critical influence or substantive control over the transaction, contract only with persons not debarred or suspended from receiving financial assistance under federal programs.

### **Contracted Services Provided by an ESC**

The following contracted services provided by an ESC are generally **not** defined as professional services or consulting services and do **not** require specific approval unless otherwise specified:

- Accounting or bookkeeping services
- Printing services
- Media services
- Data management
- Special education services
- Career and technical education services
- Staff development
- Curriculum development
- Drug prevention training

# Capital Outlay

## Definitions

### Capital Expenditures or Capital Outlay

*Capital expenditures* means expenditures to acquire capital assets or expenditures to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life. (2 CFR Part 200, §200.13)

### Acquisition Cost

*Acquisition cost* means the cost of the asset including the cost to ready the asset for its intended use. Acquisition cost for equipment, for example, means the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. Acquisition costs for software includes those development costs capitalized in accordance with generally accepted accounting principles (GAAP). Ancillary charges, such as taxes, duty, protective in transit insurance, freight, and installation may be included in or excluded from the acquisition cost in accordance with the non-federal entity's regular accounting practices. (2 CFR Part 200, §200.2)

### Equipment

*Equipment* means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-federal entity for financial statement purposes, or \$5,000. See also §§200.12 Capital assets, 200.20 Computing devices, 200.48 General purpose equipment, 200.58 Information technology systems, 200.89 Special purpose equipment, and 200.94 Supplies. (2 CFR Part 200, §200.33)

### Rules Regarding Capital Outlay

- The maximum capitalization level that an applicant may use is \$5,000 per unit.
- All capital outlay requires specific approval from TEA.
- All capital outlay, regardless of cost, must be excluded from the calculation of indirect costs.

### Examples of Capital Outlay

- Capitalized equipment, including telephone systems, intercommunication and telecommunication systems, mainframes and minicomputers, high-capacity copy machines
- Capitalized furniture
- Capitalized vehicles
- Capitalized software, including site licenses or single-use software
- Library books and library media (to be catalogued and controlled by the library)

### Technology Purchases

Applicants should be thoughtful and deliberate in the planning phase of the application process when budgeting grant funds to purchase technology equipment, in particular items such as tablet computers and laptops. Because different types of technology equipment are used in different ways, they offer different benefits to the intended beneficiaries of the grant. The grant

application must specify what type of technology is planned to be purchased and must demonstrate how the planned purchase aligns with the purpose and goals of the grant.

After grant funds are awarded, they must be expended in accordance with the approved budget. For instance, if the subgrantee budgeted for laptops and decides that tablet computers would be a more cost-effective means of serving the same need, the subgrantee must submit an amendment to the application, which must be approved before tablet computers may be purchased using grant funds.

## **Definitions**

### **Computing Devices**

*Computing devices* means machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or “peripherals”) for printing, transmitting and receiving, or storing electronic information. See also §§200.94 Supplies and 200.58 Information technology systems. (2 CFR Part 200, §200.20)

### **Information Technology Systems**

*Information technology systems* means computing devices, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources. See also §§200.20 Computing devices and 200.33 Equipment. (2 CFR Part 200, §200.58)

### **Supplies**

*Supplies* means all tangible personal property other than those described in §200.33 Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-federal entity for financial statement purposes or \$5,000, regardless of the length of its useful life. See also §§200.20 Computing devices and 200.33 Equipment. (2 CFR Part 200, §200.94)

## Costs That Do Not Require Specific Approval

### Professional and Contracted Services (6200)

The following costs do not require specific approval in the grant application. If these costs are budgeted, they should be included in the “Remaining 6200 Professional and Contracted Services that do not require specific approval” line of that schedule. All costs must be for allowable services directly related to the grant program and prorated for the amount used by the grant program.

- Test scoring
- Staff and student tuition and fees for higher education, public, and nonpublic schools for the following:
  - Services rendered by institutions of higher education (IHEs) for the benefit of local educational agency (LEA) personnel when payment is made directly to the institution
  - Tuition when the LEA is under contract to provide instructional services to students
  - Other tuition and transfer payments not detailed above
  - NOTE: If tuition is to be paid by the staff or student participant and then reimbursed upon completion of the course, budget this cost in Other Operating Costs (6400).
- Maintenance and repair of equipment purchased with grant funds rendered by firms, individuals, or organizations other than the LEA

Maintenance or repair costs include normal upkeep, repair, and minor restorations of grant-funded equipment. When contracted maintenance and repair services are rendered, the total cost of the service, labor, and parts is to be included in the appropriate contracted services account.

- Utilities, including communication costs:
  - Telecommunication charges for telephone services, cell phones, pagers, modem lines, fax, and other similar telecommunication devices
  - Note #1: Cell phone contracts **must** be in the name of the fiscal agent/subgrantee and **not** in the name of the employee.
  - Note #2: Cell phone stipends (or cell phone allowances) are **unallowable** costs for either federally or state-funded grant programs.
  - Electricity when grant activities are conducted before school, after school, or during the summer
  - Energy sources such as natural gas, propane, coal, and other fuel used for the heating and cooling of buildings when grant activities are conducted before school, after school, or during the summer
  - Water, wastewater treatment, and sanitation (garbage disposal) when grant activities are conducted before school, after school, or during the summer
- Rentals and leases for equipment not owned by the subgrantee’s organization, including the rental or lease of the following:
  - Furniture
  - Computers
  - Telecommunications equipment
  - Audio-visual equipment
  - Vehicles (including buses)
  - Temporary meeting room space (such as hotel meeting rooms used for professional development sessions)

- Contracted accounting or bookkeeping services (that do not meet the definition of professional services that require licensed professionals)
- Contracted services provided by education service centers (ESCs)

Specific approval is not required for miscellaneous contracted services that do not meet the definition of professional services, consulting services, or obtaining the services of a third party to perform activities that are central to the purposes of the award, including training, professional development, and evaluation.

- Contracted publication and printing costs
- Legal services (allowable only when necessary for the administration of the grant program); retainer fees unallowable
- Audit costs for federal programs audited in accordance with the requirements in 2 CFR 200, Subpart F.

## **Supplies and Materials (6300)**

### **Definition of Supplies**

*Supplies* means all tangible personal property other than those described in 2 CFR 200.33 Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-federal entity for financial statement purposes or \$5,000, regardless of the length of its useful life. See also 2 CFR 200.20 Computing devices and 2 CFR 200.33 Equipment. (2 CFR 200.94)

General supplies and materials include consumable items. They are not capitalized. These items have a relatively low unit cost (though they are often used in large quantities) but are necessary for carrying out program activities or administration of the grant program.

The following costs do not require specific approval in the grant application. If these costs are budgeted, they should be included in the “Remaining 6300 Supplies and Materials that do not require specific approval” line.

- Maintenance and operations supplies and materials, such as the following:
  - Gasoline or fuel for transportation
  - Janitorial supplies
  - Building maintenance supplies
  - Supplies for upkeep of equipment
- Textbooks and other reading materials
  - Supplementary textbooks that are purchased by the school district and furnished free to students participating in the grant program
  - Magazine or newspaper subscriptions and subscriptions for business, professional, and technical periodicals, placed in classrooms, offices, or libraries (NOTE: Subscriptions must be in the name of the organization and not in the name of an individual.)
  - Reference books and other reading materials placed in a classroom or office but not cataloged and controlled by the library
  - Library books and media that do not meet capitalization criteria of the school or that have a useful life of one year or less
- District food service
  - Food and food-related costs—transportation, handling, processing, and other related activities
  - Nonfood items—napkins, straws, brooms

- Miscellaneous food service supplies

To be allowed under the grant, your food costs for grant activities must not be reimbursed by the federal school breakfast and lunch program. Refer to the “Other Specific Items of Cost” section of this handbook for information about food costs, as they are allowable under very limited circumstances.

- General supplies and materials
  - Office supplies—paper, pencils, forms, postage
  - Audio-visual aids—CDs, DVDs
  - Workbooks
  - Supplies for satellite dish and other technology supplied
  - Computing devices if the acquisition costs are less than the lesser of the capitalization level established by the subgrantee or \$5,000
  - Equipment (not capitalized) other than technology hardware or software (NOTE: Non-capitalized technology hardware and software require specific approval on the application schedule for Supplies and Materials.

### **Other Operating Costs (6400)**

The following costs do *not* require specific approval on the grant schedule for Other Operating Costs (6400). If they are budgeted, they should be included in the “Remaining 6400 Other Operating Costs that do not require specific approval” line.

- In-state travel for employees (out-of-state travel requires written prior approval)
- Conference and workshop fees for in-state travel for employees
- In-state travel for students or nonemployees (written prior approval is required)
- Transportation for participants or parents to or from grant activities
- Field trips that meet the guidelines established by TEA (Field trips are generally not allowed, unless specified as allowable in the program guidelines for your federal grant)
- Stipends for nonemployees (prior written approval is required)
- Property and liability insurance for the subgrantee organization
- Bid notices and newspaper advertisements
- Food and beverage costs, under very limited circumstances (see the “Other Specific Items of Cost” section of this handbook for information on food and beverage costs)
- Incentives for participation and awards for recognition (see the “Other Specific Items of Cost” section of this handbook for information on incentives and awards)
- Publication and printing costs (Specific approval is required for nonprofit organizations)
- Membership dues or fees for professional and technical organizations directly related to and necessary to carry out the objectives of the grant
- Reimbursement of tuition and fees for courses directly related to the grant program

## **Unallowable Costs**

### **Payroll Costs (6100)**

The following employee payroll costs are not allowed:

- Personal liability insurance
- Employer contributions to voluntary retirement plans such as 403(b) or 401(k)
- Substitute pay for private nonprofit school teachers
- Payroll costs that exceed local policy

### **Professional and Contracted Services (6200)**

A consultant shall not be used in the conduct of this application if the services to be rendered by such consultant could have been rendered by the subgrantee's employees.

Grant funds may not be used for the following:

- Training or technical assistance on grant writing or obtaining grant funds
- Fundraising activities or training on fundraising
- Multicolor printing costs that are not reasonable and necessary to accomplish the objectives of the grant program (applies to printing costs incurred under 6200 and 6400)
- Legal retainer fees
- Tuition and fees for courses not directly related to the grant program
- New building construction or renovating or remodeling of buildings
- Conducting required annual audit and report of financial activities
- Audit fees and expenses for state-funded grants
- Audit fees and expenses when such costs are part of the organization's indirect cost pool

### **Supplies and Materials (6300)**

Grant funds may not be used for the following:

- Supplies and materials, including electronic devices, for personal use. Must be used only for grant-related activities.
- Costs associated with awards banquets, ceremonies, celebrations, and social events
- Cell phones for personal use
- Gifts or items that could be construed as a gift
- Souvenirs, memorabilia, or promotional items (such as T-shirts, caps, tote bags, key chains, or imprinted pens)

NOTE: Refer to the "Other Specific Items of Cost" section of this handbook for information on incentives to participate and awards for recognition.

### **Other Operating Costs (6400)**

Grant funds may not be used for the following:

- Out-of-state training when the same type and quality of training is available in state
- Gifts or items that can be construed as a gift
- Souvenirs, memorabilia, or promotional items (such as T-shirts, caps, tote bags, key chains, or imprinted pens)
- Door prizes (movie tickets, gift certificates, amusement park passes, and other similar items may be donated by others, but not purchased with grant funds)

NOTE: Refer to the see the “Other Specific Items of Cost” section of this handbook for information on incentives to participate and awards for recognition.

- Food, meals, snacks, beverages, and refreshments as awards
- Multicolor printing costs that are not reasonable and necessary to accomplish the objectives of the grant program
- Membership dues in organizations substantially engaged in lobbying or in social organizations
- Memberships in social organizations
- Memberships in civic or community organizations (for colleges and universities)
- Professional or personal liability insurance for individual employees
- Tuition and fees for courses not directly related to the grant program

Travel costs that are not allowed are the following:

- Alcoholic beverages
- Tips or gratuities
- Entertainment, recreation, or social events
- Travel allowances, where per diem is paid to the employee regardless of the amount actually expended
- First-class airfare
- Any expense for other persons
- Meals and lodging for persons who live in the same city or town where the meeting, conference, or workshop is held
- Costs that are not reasonable and necessary to meet the objectives of the grant
- Costs related to training or technical assistance on grant writing or obtaining funds
- Field trips that do not meet the guidelines established by TEA (see the see the “Other Specific Items of Cost” section of this handbook for guidance related to field trips)

### **Capital Outlay (6600)**

Unless specifically permitted in the authorizing statute and approved by TEA in the grant application, the following costs are unallowable:

- Land purchase and improvements to land
- Construction, renovation, or remodeling

Ground leveling, site preparation, foundation, plumbing, wiring, and sidewalk for a portable building are considered construction costs. Therefore, these costs are unallowable to be charged to the grant.

# Use of Federal Funds for Conferences and Meetings<sup>1</sup>

## Hosting Meetings or Conferences

A subgrantee may use federal grant funds received from the U.S. Department of Education (USDE) to host a meeting or conference if doing so is:

- Consistent with its approved application or plan
- For purposes that are directly relevant to the program and the operation of the grant, such as for conveying technical information related to the objectives of the grant
- Reasonable and necessary to achieve the goals and objectives of the approved grant

## Examples of Technical Information

Examples of technical information that may be conveyed at a meeting or conference include, but are not limited to, the following, each of which must be related to implementing the program or project funded by the grant:

- Specific programmatic, administrative, or fiscal accountability requirements
- Best practices in a particular field
- Theoretical, empirical, or methodological advances in a particular field
- Effective methods of training or professional development
- Effective grant management and accountability

## Factors to Consider

When deciding whether to host a meeting or conference, subgrantees should consider whether a face-to-face meeting or conference is the most effective or efficient way to achieve the desired result and whether there are alternatives, such as webinars or video conferences, that would be equally or similarly effective and more efficient in terms of time and costs than a face-to-face meeting.

In addition, subgrantees should consider how the meeting or conference will be perceived by the public; for example, will the meeting or conference be perceived as a good use of taxpayer dollars?

## Conflict of Interest Rules

There are conflict-of-interest rules that subgrantees should follow when selecting vendors, such as logistics contractors, to help with a meeting or conference. Subgrantees, other than states, must, as appropriate, comply with the minimum requirements in 34 CFR 74.42 and 80.36(b)(3) and should follow their own policies and procedures (or their local or state policies, as applicable) for ensuring that there are no conflicts of interest in the procurement process.

## Meetings and Conferences Hosted by the Subgrantee

If a meeting or conference is hosted by the subgrantee, the meeting or conference may not be promoted as a USDE meeting or conference, and the seal of the USDE must not be used on conference materials or signage without USDE approval. In addition, all meeting or conference materials paid for with federal grant funds must include appropriate disclaimers, such as the following, which is provided in EDGAR 34 CFR 75.620 and states:

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<sup>1</sup> Source: *Frequently Asked Questions to Assist U.S. Department of Education Grantees To Appropriately Use Federal Funds for Conferences and Meetings Using Federal Grant (Discretionary and Formula) Funds to Host a Meeting or Conference*

The contents of this (insert type of publication; e.g., book, report, film) were developed under a grant from the U.S. Department of Education. However, those contents do not necessarily represent the policy of the U.S. Department of Education, and you should not assume endorsement by the federal government.

### **Using Federal Grant Funds to Pay for Food**

When a subgrantee is hosting a meeting, the subgrantee may be able to use federal grant funds to pay for food, beverages, or snacks. However, there is a very high burden of proof to show that paying for food and beverages with federal funds is necessary to meet the goals and objectives of a federal grant. When a subgrantee is hosting a meeting, the subgrantee should structure the agenda for the meeting so that there is time for participants to purchase their own food, beverages, and snacks. In addition, when planning a meeting, subgrantees may want to consider a location in which participants have easy access to food and beverages.

While these determinations will be made on a case-by-case basis, and there may be some circumstances where the cost would be permissible, it is likely that those circumstances will be rare. Subgrantees, therefore, will have to make a compelling case that the unique circumstances they have identified would justify these costs as reasonable and necessary.

If program offices have questions, they should consult with their program attorney.

### **Receptions and Networking Sessions**

In virtually all cases, using grant funds to pay for food and beverages for receptions and “networking” sessions is not justified because participation in such activities is rarely necessary to achieve the purpose of the meeting or conference.

### **Food Costs Included in Contracts with Hotels**

Federal grant funds may only be used for expenses that are reasonable and necessary. In planning a conference or meeting and negotiating with vendors for meeting space and other relevant goods and services, subgrantees may only pay for allowable costs. If a hotel vendor embeds food and beverage costs into a hotel contract for meeting space, the subgrantee should work with the hotel to have the food and beverage costs identified and “backed out” of the contract, and have the price they are paying for meeting space appropriately adjusted to reflect the fact that food and beverages are not being purchased. The fact that food and beverages are embedded in a contract for meeting space does not mean that the food and beverages are being provided at no cost to the subgrantee.

### **Complimentary Beverages at Meeting Venues**

If a hotel or other venue provides “complimentary” beverages (e.g., coffee, tea) and there is no charge to the subgrantee hosting the meeting, the subgrantee has an obligation, under these circumstances, to confirm that the beverages are truly complimentary and will not be reflected as a charge to the grant in another area. For example, many hotels provide complimentary beverages to all guests who attend a meeting at their facility without reflecting the costs of those beverages in other items that their guests or, in this case, the subgrantee purchases. As noted above, it would not be acceptable for a vendor to embed the cost of beverages in other costs, such as meeting space.

### **Using Indirect Cost Funds to Pay for Food and Beverages**

The cost of food and beverages, because they are easily associated with a specific cost objective, such as a USDE grant, are properly treated as direct costs, rather than indirect costs.

As noted above, federal grant funds cannot be used to pay for food and beverages unless doing so is reasonable and necessary.

### **Using Federal Grant Funds to Pay for Alcoholic Beverages**

Use of federal grant funds to pay for the cost of alcoholic beverages is strictly prohibited.

### **Using State or Local Resources to Pay for Food and Beverages**

Subgrantees should follow their own policies and procedures and state and local law for using non-federal resources to pay for food or beverages, including its policies and procedures for accepting gifts or in-kind contributions from third parties. However, if non-federal funds are used to pay for food at a subgrantee-sponsored meeting or conference, the subgrantee should make clear through a written disclaimer or announcement (e.g., a note on the agenda for the meeting) that federal grant funds were not used to pay for the cost of the food or beverages. Subgrantees should also be sure that any food and beverages provided with non-federal funds are appropriate for the subgrantee event, and do not detract from the event's purpose.

### **Boxed Lunches for Participants**

Subgrantees may offer meeting participants the option of paying for food (such as lunch, breakfast, or snacks) and beverages, and arrange for these items to be available at the meeting.

### **Using Federal Grant Funds to Pay for Costs of Attending a Meeting or Conference Sponsored by USDE or a Third Party**

If attending a meeting or conference is necessary to achieve the goals and objectives of the grant, and if the expenses are reasonable (based on the subgrantee's own policies and procedures, and state and local laws), federal grant funds may be used to pay for travel expenses of subgrantee employees, consultants, or experts to attend a meeting or conference. To determine whether a meeting or conference is "necessary," subgrantees should consider whether the goals and objectives of the grant can be achieved without the meeting or conference and whether there is an equally effective and more efficient way (in terms of time and money) to achieve the goals and objectives of the grant. To determine whether the expenses are "reasonable," subgrantees should consider how the costs (e.g., lodging, travel, registration fees) compare with other similar events and whether the public would view the expenses as a worthwhile use of federal funds.

### **Considerations When Planning to Use Federal Grant Funds**

Among other considerations, subgrantees should consider how many people should attend a meeting or conference on its behalf. The number of attendees should be reasonable and necessary to accomplish the goals and objectives of the grant. The subgrantee should also determine whether it is necessary to attend the entire meeting or conference, or whether attending only a portion of the meeting or conference is reasonable and necessary.

### **Travel Expenses**

Subgrantees may use federal grant funds for travel expenses only to the extent such costs are reasonable and necessary and do not exceed charges normally allowed by the subgrantee in its regular operations consistent with its written travel policies. In the absence of an acceptable written policy regarding travel costs, subgrantees must follow the federal travel and subsistence rates established by the General Services Administration. 48 CFR 31.205-46(a), established under subchapter I of Chapter 57, Title 5, United States Code ("Travel and Subsistence Expenses; Mileage Allowances").

Federal grant funds may be used to pay expenses for transportation, per diem, and lodging if the costs are reasonable and necessary. Subgrantees should follow their own travel and per diem rules and costs when charging travel expenses to their federal grant. As noted in the cost principles, subgrantees that do not have travel policies must follow:

...the rates and amounts established under subchapter I of Chapter 57, Title 5, United States Code ("Travel and Subsistence Expenses; Mileage Allowances"), or by the Administrator of General Services, or by the President (or his or her designee) pursuant to any provisions of such subchapter shall apply to travel under sponsored agreements (48 CFR 31.205-46(a)). (See 2 CFR Parts 220, 225, and 230.)

### **Allowable Use of Federal Grant Funds**

Subgrantees must follow all applicable statutory and regulatory requirements in determining whether costs are reasonable and necessary, especially the federal cost principles for federal grants that are specified in 2 CFR 200, Subpart E.

#### **Entertainment**

Federal grant funds may not be used to pay for entertainment, which includes costs for amusement, diversion, and social activities.

#### **Lobbying**

Appropriated funds may not, except under very limited circumstances, be used for expenses related to any activity designed to influence the enactment of legislation, appropriations, regulations, administrative actions, or Executive Orders proposed or pending before the Congress or the Administration.

To the extent that a portion of time at a conference is spent on lobbying activities, costs associated with the lobbying, including transportation to and from Washington, DC, lodging, and per diem, may not be charged to the federal grant. For example, if a meeting or conference lasts for two days and a visit to lobby a member of Congress requires an additional day of travel, 1/3 of all costs involved in attending the meeting or conference, including travel to and from Washington, DC, may not be charged to the grant.

#### **Unallowable Expenses**

If federal grant funds are used on unallowable expenses, USDE may seek to recover any federal grant funds identified, in an audit or through program monitoring, as having been used for unallowable costs, including unallowable conference expenses.

## **Other Specific Items of Cost**

Funds must be expended for *necessary and reasonable costs* in conducting grant activities. (See 2 CFR 200.403 Factors affecting allowability of costs, 2 CFR 200.404 Reasonable costs, and 2 CFR 200.407 Prior written approval for allowable costs.)

Listed below are some of the specific items of cost related to your grant. For a complete list of the federal cost principles that apply to your federal grant, see 2 CFR 200.420-475.

### **Applicable Credits**

Any transactions that offset or reduce expenses to the federal grant must be credited to the federal grant either as a cost reduction or cash refund, as appropriate. This includes purchase discounts, rebates or allowances, recoveries or indemnities on losses, insurance refunds or rebates, and adjustments of overpayment or erroneous charges. (2 CFR 200.406)

### **Awards for Recognition and Incentives for Participation**

Minimal-cost certificates, plaques, ribbons, small trophies, or instructionally-related items to be used in the classroom (such as pens and pencils) are acceptable incentives for participation in program activities or awards for recognition.

The following items may be donated by others but may not be purchased with grant funds:

- Gifts or items that appear to be gifts
- Souvenirs, memorabilia, or promotional items, such as T-shirts, caps, tote bags, imprinted pens, and key chains
- “Door prizes,” movie tickets, gift certificates, passes to amusement parks, and so on
- Food of any kind (snacks, beverages, refreshments, meals, and so on)

### **Cell Phones**

The following guidelines apply to the use of cell phones.

#### **Cell Phones for Personal Use**

A cellular telephone for personal use is an unallowable cost.

#### **Cell Phone Stipends**

Stipends for cell phones are unallowable costs.

#### **Cell Phone Contracts**

Contracts must be in the name of the organization and not in the name of the employee. Subgrantees must have a written policy in place to inform employees that organization-issued cell phones may not be used for personal purposes.

### **Ceremonies, Banquets, or Celebrations**

Costs associated with ceremonies, banquets, or celebrations are unallowable.

### **Construction, Remodeling, or Renovation**

These costs are not allowed unless specifically authorized in the authorizing program statute and unless specifically approved by TEA in the applicable grant application.

## **Corporate Credit Card Charges**

TEA will reimburse costs charged to the grant using corporate credit cards *only* when the accounting ledger reflects each individual charge on the credit card statement by the following:

- The individual vendor name (not just the credit card company name)
- The grant funding source/code
- The expense category (i.e., supplies, instructional materials, equipment, travel)
- The actual date of the charge (as opposed to the billing statement or the date the credit card bill was paid)

The subgrantee must maintain the original *itemized* receipt that identifies each item purchased (and not just the credit card receipt). The subgrantee must also maintain all other appropriate internal accounting records, such as travel vouchers, expense reimbursement vouchers, purchase orders, etc.

## **Donations**

Donations to other organizations or to other units within the subgrantee organization are unallowable.

## **Employee Service Awards**

Employee service awards cannot be paid from grant funds.

## **Employer Contributions to Voluntary Retirement Plan**

Employer contributions to an employee's *voluntary* retirement plan, such as a 401(k) or 403(b), are unallowable. Employer contributions to *mandatory* pension plans, whereby it is mandatory that every employee participate and the employee cannot opt out, are allowable.

## **Entertainment, Recreation, Social Events**

Costs associated with any type of entertainment, recreation, or social event are unallowable, unless there is a programmatic purpose that has been approved in the federal grant application prior to the expenditure of funds.

## **Field Trips**

Field trips are generally considered entertainment and will be considered unallowable, except where specific costs have a programmatic purpose and are authorized in the program guidelines of the specific request for application. The [Request for Specific Expenditure Justification: Educational Field Trips](#) form may be required to be submitted with the grant application.

## **Examples of Potentially Allowable Educational Field Trips**

Examples of appropriate educational field trips include the following:

- Curricular academic activities focused on math, science, and technology, such as service learning, internships, academic UIL competitions (such as robotics or math), or science and technology fairs
- Laboratory and field investigation instruction, used to improve students' understanding of science TEKS objectives
- Trips to a river, archaeological site, or nature preserve that might include contracting with local science centers, museums, zoos, and horticultural centers for visits and programs

- Trips to the local library to increase access to high-interest reading materials or research
- Visits to colleges and universities to encourage interest in the pursuit of higher education

### **Unallowable Costs Related to Field Trips**

The following costs are unallowable:

- Field trips for social, entertainment, or recreational purposes
- Field trips that supplant and do not supplement local or state expenditures or activities
- Field trips that are not part of a teacher's lesson plan or that do not meet the instructional objectives of the grant program
- Field trips that are not reasonable in cost or are not necessary to accomplish the objectives of the grant program
- Field trips that are not properly documented (as described above)
- Field trips to entertainment or recreational locations that have legitimate educational programs when more than 25 percent of the time spent at the location is used for entertainment or recreation of field trip participants

Refer to the program guidelines for the specific grant application for more guidance.

### **Fines and Penalties**

Fines and penalties are unallowable.

### **Food and Beverage Costs**

Expenditures on food must be reasonable in cost, necessary to accomplish program objectives, and an integral part of the instructional program. If TEA determines that you expended grant funds on food costs that are not reasonable or necessary to meet the intent and objectives of the grant, TEA reserves the right to restrict your organization from expending any funds on food costs or to disallow expenditures on food costs.

In order to ensure that food costs charged to grants are reasonable and necessary, subgrantees are strongly encouraged to have meeting/conference attendees register or RSVP. This will enable subgrantees to accurately estimate the amount of allowable food and beverages to order.

This documentation will provide subgrantees with auditable documentation to back up reimbursement requests.

### **Food Costs for Hosting Meetings/Training**

Grant funds may be used to host a meeting or conference if doing so is:

- Consistent with its approved application or plan
- For purposes that are directly relevant to the program and the operation of the grant, such as for conveying technical information related to the objectives of the grant
- Reasonable and necessary to achieve the goals and objectives of the approved grant

Hosting or sponsoring a conference is generally considered unallowable, unless the conference is determined to be appropriate and necessary, and is managed to minimize costs to the federal award. The [Request for Specific Expenditure Justification: Hosting or Sponsoring of Conference](#) form may be required to be submitted with the grant application.

Generally, there is a very high burden of proof to show that paying for food and beverages with federal funds is necessary to meet the goals and objectives of a federal grant. When a subgrantee is hosting a meeting, the subgrantee should structure the agenda for the meeting so

that there is time for participants to purchase their own food, beverages, and snacks. In addition, when planning a meeting, subgrantees may want to consider a location in which participants have easy access to food and beverages.

While these determinations will be made on a case-by-case basis, and there may be some circumstances where the cost would be permissible, it is likely that those circumstances will be rare. Subgrantees, therefore, will have to make a compelling case that the unique circumstances they have identified would justify these costs as reasonable and necessary.

Before expending funds for food costs associated with hosting a meeting/training, subgrantees should consider whether a face-to-face meeting or conference is the most effective or efficient way to achieve the desired result and whether there are alternatives, such as webinars or video conferences, that would be equally or similarly effective and more efficient in terms of time and costs than a face-to-face meeting. In addition, subgrantees should consider how the meeting or conference will be perceived by the public; for example, will the meeting or conference be perceived as a good use of taxpayer dollars?

If the subgrantee determines that hosting a meeting/training is necessary and the plan is approved by TEA, a limited amount of funds may be expended on light meals for meeting or training participants. The use of grant funds for this purpose is specifically limited to light working meals for participants when the working meal is noted on an agenda, is clearly described, and is mandatory. An allowable working meal may be:

- A working lunch
- Working breakfast when the meeting begins prior to 8:00 a.m.
- Working dinner when the meeting lasts past 6:00 p.m.

The purpose of a working meal should be to shorten the overall meeting or training time and to facilitate accomplishing the objectives of the meeting or training and the overall program. A “working meal” or “light meal” described below is considered to be reasonable in cost when the cost of the meal including tax does not exceed \$20 per person.

Specifically, grant funds may be expended for the following costs provided that the subgrantee maintains adequate and sufficient documentation that the costs were necessary and reasonable to further the intent and objectives of the grant.

- Light meal during an all-day meeting or training session: To provide a light meal for participants who are cloistered in an all-day (at least six-hour) meeting or training session, subgrantees must:
  - Maintain documentation demonstrating that it was impractical for participants to obtain the meal on their own because of an isolated location or distance to eateries
  - Demonstrate that attendance at the meeting or training session was essential to accomplishing the objectives of the grant
  - Have an agenda that clearly identifies the topics discussed during the meeting or training session and the time allocated to each topic, including the meal period
- Working meal during an all-day meeting or training session: To provide a working meal defined as an activity in which staff or participants are engaged in exercises or activities during the normal meal time, subgrantees must do the following:
  - Maintain an agenda that shows that no other opportunity for a meal was provided and that clearly identifies the exercise or activity the participants were engaged in
  - Retain a representative sample of the work product, if any, that was generated as a result of the working session

TEA will not reimburse a subgrantee for more than \$20 per person, including tax. Any amount over \$20 per person must be paid from other allowable funding sources. The \$20 per person must not include mandatory service fee or set-up fees as are often charged by event facilities. Anything termed a “gratuity” or “tip” is not reimbursable by TEA. No other food costs, including food and beverages for refreshments, breaks, or snacks, are permitted.

### **Allowable Food Costs for Parents and/or Students**

The following costs are allowable:

- Nutritional snacks for students during extended day (after-school) programs
- Nutritional snacks for children in child care while parents are participating in grant activities
- Food necessary to conduct nutrition education programs for parents
- Parent involvement activities in which refreshments are necessary to encourage participation or attendance by parents, such as in low-income areas, and thus meet program objectives.

Full meals for parents or students are unallowable for these purposes under any circumstances. Expenditures must be reasonable in cost, necessary to accomplish program objectives, and an integral part of the instructional program.

### **Unallowable Food Costs**

The following costs are unallowable:

- Refreshments of any kind, including beverages, breaks, and snack foods except as necessary for parent involvement activities to encourage attendance by parents
- Refreshments or meals at an awards banquet or function
- Any food costs that are not necessary to accomplish the objectives of the grant program
- Any food cost associated with an event in which a guest speaker or other individual conducts a presentation and the participants are not actively engaged in performing activities
- Breakfast
- “Working meals” or “light meals” that exceed \$20 per person, including tax
- Gratuities or tips

### **Fundraising Activities**

Costs of organized fundraising, including solicitation of gifts and bequests, endowment drives, financial campaigns, and similar expenses incurred to raise capital or to obtain contributions are unallowable. Costs associated with attending or sponsoring training on fundraising are unallowable.

### **Interest Paid**

Interest paid in a prior grant period may not be charged retroactively to this grant period.

### **Land Purchase and Improvements**

Land purchase and improvements to land are unallowable costs, unless specifically authorized in the grant program statute and specifically approved by TEA in the grant application.

## **Legal Fees**

Legal fees and expenses are allowable only as necessary for the administration of the grant program. Retainer fees are unallowable costs.

## **Lobbying**

Any costs incurred for lobbying are unallowable.

## **Professional or Individual Liability Insurance**

Professional liability insurance for individual employees is not an allowable cost.

## **Promotional Items, Memorabilia, or Souvenirs**

Promotional items, memorabilia, or souvenirs are unallowable costs.

## **Substitute Pay for Private Schoolteachers**

Substitute pay for private schoolteachers (for-profit or nonprofit) is unallowable under any circumstances.

## **Training or Technical Assistance on Grant Writing**

Funds may not be used for training or technical assistance on grant writing or for costs associated with writing other grant applications.

## **Transportation Costs**

The cost of transporting students (or parents, if appropriate for the particular grant program) to or from grant activities is an allowable expenditure. You may not charge the grant for costs incurred in transporting students to and from the *regular* school day.

## **Travel Costs**

All organizations should have a local travel policy that is applied consistently among all employees so employees are reimbursed at the same rates, whether traveling on a state or federal grant or for other purposes. The maximum amounts that may be charged to the grant are restricted to the rates that are approved in the State of Texas Appropriations Bill in effect for the particular grant period.

If local policy restricts travel, per diem, and other travel expenses to a rate less than State law, the applicant must budget and request reimbursement from the grant at the lesser rate. If local policy exceeds the maximum recovery rate specified in the Appropriations Bill, then the difference must be paid from state or local funds, i.e., not from grant funds. Travel allowances, in which the per diem is paid to the employee regardless of the amount actually expended, are unallowable.

Travel generally means a destination outside the city or town in which the individual works (i.e., duty point). Travel can also mean transportation from one duty point to another within the same city or town, such as with an itinerant teacher or counselor who visits multiple campuses in the same work day. This is usually termed “in-district” travel.

## **Travel Costs for Executive Director, Superintendent, or Board Members**

Travel costs for executive directors, superintendents, or board members are allowed only when they are specifically related to carrying out the objectives of the grant project and only with specific TEA approval in the grant application. If travel is out-of-state, the Out-of-State Travel Justification Form must be attached to the grant application.

## Allowable Travel Expenses

For more detailed information regarding allowable travel expenses, consult the [Texas State Comptroller's website](#). Follow these steps to locate information on the comptroller's site regarding specific aspects of travel reimbursement:

- Click the **Finances & Economy** tab at the top of the home page.
- Scroll down to the **Fiscal Management** section, and click **State of Texas Travel Information**.
- In the **Resources** section, click the Textravel logo.
- Click either the **Meals/Lodging** or the **Transportation** tab.
- On the left of the page that opens is a blue menu listing subtopics of specific travel information (e.g., on the Transportation page, the subcategories listed in the blue menu include **Mileage in Personal Vehicle, Parking, and Rental Vehicles**). Click the appropriate subtopic.

The following travel expenses are allowable:

- Mileage reimbursement is allowable for travel necessary to carry out the objectives of the grant project. When an employee is on travel for the purposes of the grant, mileage reimbursement cannot exceed the rate established by the Texas Comptroller. If local organization policy reimburses at a lower rate, you must claim that lower rate.
- Travelers are required to calculate mileage by one of the following two methods:
  - Odometer reading (point-to-point method)
  - Electronic mapping source (such as that on [www.Mapquest.com](http://www.Mapquest.com) or any other online mapping service). If this method is chosen, the traveler must print out the driving directions provided by the site and attach them to the travel voucher.

Travelers are required to select the shortest and most economical route but may justify the selection of another route if it was chosen for safety reasons and specific justification of the selection is given.

To assist employees in documenting their travel, some districts have developed mileage charts listing the distance between various duty points within the district. Such a chart should be developed in accordance with local policy and must be based on one of the two approved methods of mileage calculation (odometer reading or electronic mapping source). Travelers whose districts have developed such a chart are not required to calculate their mileage by either the odometer reading or electronic mapping source method; reference to the district's mileage chart is sufficient.

- Airfare is allowable at the lowest fare available and must be documented with a receipt. First-class airfare is unallowable.
- Car rental fee (at destination) is unallowable unless other transportation such as taxi or shuttle is not available for performing official business or unless you document that car rental is more cost effective than alternate modes of travel. (The car rental must be documented with a receipt.) Gasoline for the rental car is allowable with a receipt.
- Airport parking is allowable.
- For both in-state and out-of-state travel, the traveler may apply funds available for meal reimbursement toward lodging. For instance, if the traveler chooses for the sake of convenience to stay in a hotel that costs \$10 more a night than the allowable maximum for lodging, the traveler can apply \$10 of the maximum available for meal reimbursement toward the lodging rate. If the traveler chooses to apply meal reimbursement to lodging, the maximum meal reimbursement rate

is reduced by the same amount. (Applying \$10 of the meal reimbursement to lodging would reduce the maximum allowable meal reimbursement by \$10.)  
NOTE: The opposite case does not apply; that is, a traveler may not reduce the amount spent on lodging and increase the amount spent on meals. Under no circumstances may a traveler be reimbursed from grant funds for meals at a rate that exceeds the rate given on the Federal Rate Schedule (or the maximum meal reimbursement rate, depending on whether the destination is specified in the Federal Rate Schedule).

- Taxi fares for official business are allowable. Tips cannot be reimbursed.
- Itemized miscellaneous business expenses (such as business phone calls, printing, or materials) for carrying out official business of the meeting, conference, or workshop are allowable.
- Registration fees to attend workshops or conferences are allowable. Social events or recreational events available at a cost above the basic registration fee may not be paid from grant funds.

### **Unallowable Travel Expenses**

The following travel expenses are unallowable:

- First-class air fare
- Per diem (meals and lodging) for meeting, conference, or workshop participants who live in the same city where the event is held. (Automobile mileage is allowable.)
- Tips or gratuities of any kind
- Alcoholic beverages
- Entertainment, recreation, or social events
- Any expense for other persons
- Automobile mileage or taxi fares for other than official business
- Personal accident insurance or personal effects coverage for rental cars
- Rental car for personal use or for purposes not associated with the official business of the meeting, conference, or workshop
- Travel allowances (i.e., per diem paid regardless of participant's actual expenses)
- Non-instructional field trips (see guidance under "Field Trips")

### **In-State and Out-of-State Travel**

The Federal Rate Schedule is used for reimbursement of in-state and out-of-state meal and lodging expenditures. Because the reimbursement rates can change, it is recommended that travelers print the page at the time reservations are made and submit the printout with the travel reimbursement voucher as a supporting document.

If local policy reimburses at a greater amount, you must pay the difference from local or state funds (i.e., not from grant funds).

Follow these steps to access federal meal and lodging reimbursement rates for traveling in Texas on the [Texas State Comptroller's website](#).

1. Click the Finances & Economy tab at the top of the page.
2. Scroll down to the Fiscal Management section, and click State of Texas Travel Information.
3. In the Resources section, click the Textravel logo.

4. In the right column, click Current Rates.
5. Click Domestic Maximum Per Diem Rates.
6. On the page that opens, locate the traveler's destination by clicking the appropriate state on the US map.
7. Clicking the state brings up a list of cities and counties. Find reimbursement rates as follows:
  - If the city to which you are traveling is listed, use the rate given for that city.
  - If the city to which you are traveling is not listed, check the county list. If the county to which you are traveling is listed, use the rate given for that county.
  - If the county to which you are traveling is not listed, use the standard maximum rate for lodging and meals, as specified in the General Appropriations Act and on the comptroller's website.

### **In-State Day Trips**

In accordance with local policy, an employee whose duties require the employee to travel outside the employee's designated headquarters without an overnight stay away from the employee's headquarters may be reimbursed for the actual cost of the employee's meals, not to exceed \$36. In the absence of a local policy, no reimbursement shall be made from the grant for this purpose.

"Designated headquarters" is defined as the area within the boundaries of the city or town in which a traveler's place of employment is located. Travel must take the employee outside designated headquarters for more than six consecutive hours; the cost of meals for travel lasting less than six consecutive hours is unallowable to be charged to the grant.

### **Out-of-State Travel**

An employee who travels within or outside the continental United States shall be reimbursed for the actual cost of lodging and meals. However, the reimbursements from grant funds may not exceed the maximum meals and lodging rates based on the federal travel regulations and issued by the Texas Comptroller of Public Accounts. If local policy reimburses at a lesser amount, you must comply with local policy. If local policy reimburses at a greater amount, you must pay the difference from local or state funds (i.e., not from grant funds).

In order to use federal grant funds for out-of-state travel, it must be authorized in the TEA program guidelines for the specific federal grant award. The [Request for Specific Expenditure Justification: Out-of-State Travel](#) form may be required to be submitted with the grant application.

### **Travel Documentation**

Travel costs must be properly documented to be reimbursable. The employee must document travel costs with a travel voucher or other comparable documentation. Documentation must include the following at a minimum:

- Name of the individual claiming travel reimbursement
- Destination and purpose of the trip, including how it was necessary to accomplish the objectives of the grant project
- Dates of travel
- Actual mileage (not to exceed reimbursement at the maximum allowable rate).  
As of September 1, 2009, the Texas Mileage Guide is no longer used to calculate

mileage. Travelers are required to calculate mileage by one of the following two methods:

- Odometer reading (point-to-point method)
- Electronic mapping source (such as that on [www.Mapquest.com](http://www.Mapquest.com) or any other online mapping service). If this method is chosen, the traveler must print out the driving directions provided by the site and attach them to the travel voucher.

Travelers are required to select the shortest and most economical route but may justify the selection of another route if it was chosen for safety reasons and specific justification of the selection is given.

- Actual amount expended on lodging per day, with a receipt attached (may not exceed the maximum allowable)
- Actual amount expended on meals per day (may not exceed the maximum allowable; tips and gratuities are not reimbursable). Receipts are not required by TEA but may be required per local organization policy.
- Actual amount of airfare (receipt must be attached)
- Actual amount expended on public transportation, such as taxis and shuttles
- Actual amount expended on a rental car, with receipt attached and justification for why a rental car was necessary and how it was more cost effective than alternate transportation; receipts for any gasoline purchased for the rental car must be attached (mileage is not reimbursed for a rental car – only the cost for gasoline is reimbursed)
- Actual amount of gasoline for a rental car (receipt must be attached)
- Actual amount of parking
- Actual amount expended on incidentals, such as hotel taxes, copying of materials, and other costs associated with the travel
- Total amount reimbursed to the employee

Travel costs that are not supported by proper documentation as described above are unallowable to be charged to TEA grants and are subject to disallowance by state and federal auditors and monitors.

## **Tuition**

Tuition fees, either paid directly to an institution or on a reimbursement basis to an employee, are allowable only for courses directly related to the grant program and where authorized in the grant program as an allowable use of funds.

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