GRANT MANAGEMENT
HANDBOOK

A BEGINNER’S GUIDE TO MANAGING GRANTS
ADMINISTERED BY THE TEXAS EDUCATION AGENCY
# Contents

Introduction .............................................................................................................................. 1

Online Resources .................................................................................................................... 1
  Division of Grants Administration Home Page ................................................................. 1
  Applying for a Grant ............................................................................................................ 1
  Administering a Grant ........................................................................................................ 2
  TEA Grant Opportunities ................................................................................................. 2
  TEA Secure Applications Information ............................................................................ 2
  Education Department General Administrative Regulations (EDGAR) and Other Applicable Grant Regulations .................................................................................... 2

Definition of Terms .................................................................................................................. 2

Request for Application (RFA) .............................................................................................. 2

Standard Application System (SAS) ..................................................................................... 3

Application Type ..................................................................................................................... 3
  eGrant ................................................................................................................................. 3
  Paper Grant .......................................................................................................................... 3

Grant Type ............................................................................................................................... 3
  Formula Grant .................................................................................................................... 3
  Discretionary Grant ............................................................................................................ 4
  Discretionary Competitive Grant ....................................................................................... 4
  Discretionary Competitive Continuation .......................................................................... 4
  Discretionary Noncompetitive .......................................................................................... 4

Funding Type .......................................................................................................................... 4
  Federally Funded Grant ..................................................................................................... 4
  State-Funded Grant ............................................................................................................ 4

Shared Services Arrangement ............................................................................................... 5

Grant Award ............................................................................................................................. 5
  Planning Amounts .............................................................................................................. 5
  Revised Planning Amounts ............................................................................................... 5
  Final Amounts .................................................................................................................... 5
  Carryover ............................................................................................................................. 5

Negotiations ............................................................................................................................ 5

Notice of Grant Award (NOGA) ........................................................................................... 6

Supplement to the NOGA ..................................................................................................... 6

Expenditure Reporting (ER) System ..................................................................................... 6

Amendment ............................................................................................................................ 7
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accessing TEA Software Applications through the Secure Environment: TEASE and TEAL</td>
<td>7</td>
</tr>
<tr>
<td>Transition from TEASE to TEAL</td>
<td>7</td>
</tr>
<tr>
<td>How to Request a TEAL User Account</td>
<td>7</td>
</tr>
<tr>
<td>How to Request a TEASE User Account by Requesting ER Access</td>
<td>8</td>
</tr>
<tr>
<td>How to Request Access to Another Secure Software Application (eGrants)</td>
<td>9</td>
</tr>
<tr>
<td>How to Log onto TEAL</td>
<td>11</td>
</tr>
<tr>
<td>How to Link TEASE Applications to TEAL</td>
<td>11</td>
</tr>
<tr>
<td>How to Access TEASE through TEAL</td>
<td>12</td>
</tr>
<tr>
<td>Help and Further Information</td>
<td>13</td>
</tr>
<tr>
<td>For Assistance with TEAL and/or TEASE Access</td>
<td>14</td>
</tr>
<tr>
<td>TEASE Help</td>
<td>14</td>
</tr>
<tr>
<td>TEAL Help and Online Training Modules</td>
<td>14</td>
</tr>
<tr>
<td>Expenditure Reporting (ER) System</td>
<td>15</td>
</tr>
<tr>
<td>Entering an Expenditure Request</td>
<td>15</td>
</tr>
<tr>
<td>Certification Requirement under EDGAR</td>
<td>16</td>
</tr>
<tr>
<td>ER Help and Reference Manual</td>
<td>17</td>
</tr>
<tr>
<td>Approval of Expenditure Requests – Manual Review Process</td>
<td>17</td>
</tr>
<tr>
<td>Request for Extension of Expenditure Reporting Deadline</td>
<td>17</td>
</tr>
<tr>
<td>For Assistance with ER</td>
<td>18</td>
</tr>
<tr>
<td>eGrants</td>
<td>18</td>
</tr>
<tr>
<td>Accessing eGrants</td>
<td>18</td>
</tr>
<tr>
<td>Opening eGrants</td>
<td>18</td>
</tr>
<tr>
<td>For Assistance with eGrants</td>
<td>18</td>
</tr>
<tr>
<td>TEA Grant Opportunities Page</td>
<td>18</td>
</tr>
<tr>
<td>Navigating the TEA Grant Opportunities Page</td>
<td>18</td>
</tr>
<tr>
<td>Grant Information</td>
<td>20</td>
</tr>
<tr>
<td>Grant Page Heading</td>
<td>20</td>
</tr>
<tr>
<td>Program Information</td>
<td>20</td>
</tr>
<tr>
<td>Funding Information</td>
<td>21</td>
</tr>
<tr>
<td>Application and Support Information</td>
<td>21</td>
</tr>
<tr>
<td>Critical Events</td>
<td>22</td>
</tr>
<tr>
<td>Contact Information</td>
<td>22</td>
</tr>
<tr>
<td>Grants Section of the TEA Website</td>
<td>23</td>
</tr>
<tr>
<td>Federal Flexibility Initiative</td>
<td>23</td>
</tr>
<tr>
<td>Division of Grants Administration</td>
<td>23</td>
</tr>
<tr>
<td>Division of Federal Fiscal Compliance and Reporting</td>
<td>23</td>
</tr>
<tr>
<td>Division of Federal Fiscal Monitoring</td>
<td>23</td>
</tr>
<tr>
<td>Applying for a Grant</td>
<td>23</td>
</tr>
<tr>
<td>Section</td>
<td>Page</td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>Administering a Grant Page</td>
<td>23</td>
</tr>
<tr>
<td>Budgeting Funds</td>
<td>24</td>
</tr>
<tr>
<td>Using the Budget Schedules</td>
<td>24</td>
</tr>
<tr>
<td>Schedule #10—Other Operating Costs (6400)</td>
<td>24</td>
</tr>
<tr>
<td>Costs That Do Not Require Specific Approval</td>
<td>25</td>
</tr>
<tr>
<td>Time and Effort Documentation</td>
<td>26</td>
</tr>
<tr>
<td>State-Funded Grants</td>
<td>26</td>
</tr>
<tr>
<td>Federally Funded Grants</td>
<td>26</td>
</tr>
<tr>
<td>Semi-Annual Certification</td>
<td>26</td>
</tr>
<tr>
<td>Substitute System of Time and Effort Reporting</td>
<td>27</td>
</tr>
<tr>
<td>Regulatory Overview</td>
<td>27</td>
</tr>
<tr>
<td>EDGAR: Title 34 and Title 2 of the Code of Federal Regulations</td>
<td>27</td>
</tr>
<tr>
<td>Accessing EDGAR</td>
<td>27</td>
</tr>
<tr>
<td>Reading CFR Citations</td>
<td>27</td>
</tr>
<tr>
<td>General and Specific Parts of EDGAR</td>
<td>27</td>
</tr>
<tr>
<td>Obligation of Grant Funds/Records Retention: 34 CFR Part 76</td>
<td>28</td>
</tr>
<tr>
<td>Obligations: 34 CFR 76.707</td>
<td>28</td>
</tr>
<tr>
<td>When Grantees May Begin to Obligate Funds: 34 CFR 76.708</td>
<td>28</td>
</tr>
<tr>
<td>Rules Applicable to Obligations Made during a Carryover Period: 34 CFR 76.710</td>
<td>28</td>
</tr>
<tr>
<td>Records Requirements: 34 CFR 76.730</td>
<td>28</td>
</tr>
<tr>
<td>Definitions That Apply to USDE Regulations</td>
<td>29</td>
</tr>
<tr>
<td>34 CFR Part 77.1</td>
<td>29</td>
</tr>
<tr>
<td>2 CFR Part 200</td>
<td>29</td>
</tr>
<tr>
<td>High-Risk Grantees and Specific Conditions</td>
<td>30</td>
</tr>
<tr>
<td>Other Critical Sections of EDGAR</td>
<td>31</td>
</tr>
<tr>
<td>Uniform Grant Management Standards (UGMS)</td>
<td>31</td>
</tr>
<tr>
<td>Cost Allocation Guide for State and Local Governments</td>
<td>31</td>
</tr>
</tbody>
</table>
Introduction

The purpose of this handbook is to provide individuals responsible for managing TEA grants with guidance on how to expend and account for grant funds in accordance with grant requirements. The following information is presented:

- **Online resources**: Websites referenced throughout the handbook
- **Definition of terms**: Common terms used in discussing grant management issues
- **System access**: How to gain access to the TEA grant management systems
- **Grant information**: Grant-related TEA resources available for eGrants and paper grants, as well as the resources available on the [Division of Grants Administration](#) pages of the TEA website
- **Regulatory overview**: Various regulations governing the administration of TEA grants
- **Grants administration basics**: Information on budgeting funds and maintaining required time and effort documentation
- **Uniform Grant Management System (UGMS)**: How federal regulations are applied to all grants administered by TEA, whether state or federally funded
- **Education Department General Administrative Regulations (EDGAR)**: Grant-related guidance from Title 34 and Title 2 of the Code of Federal Regulations (CFR) that applies to independent school districts, open-enrollment charter schools, institutions of higher education, and nonprofit organizations
- **Cost Allocation Guide for State and Local Governments**: Guidance on how to allocate costs, on direct and indirect administrative cost rates, and on time and effort documentation

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 (www.tea.texas.gov). All websites referenced in this handbook are listed in the following section, with URLs available in the appendix.

With feedback on this handbook, including topics that should be included in future versions, please email TEA’s chief grants administrator at 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 (www.tea.texas.gov).

**Division of Grants Administration Home Page**

You can reach the Division of Grants Administration (512-463-8525; grants@tea.texas.gov) home page as follows:

1. From the TEA home page, select the Finance and Grants box at the top of the page.
2. On the page that opens, select the Grants link.

**Applying for a Grant**

The Applying for a Grant page provides grant applicants with information about the application process.

1. From the TEA home page, hover over the Finance and Grants box at the top of the page.
2. Select the Applying for a Grant link under the Grants section.
Administering a Grant
The Administering a Grant page provides grantees with information about the process of administering a grant.

1. From the TEA home page, hover over the Finance and Grants box at the top of the page.
2. Select the Administering a Grant link under the Grants section.

TEA Grant Opportunities
The TEA Grant Opportunities page provides information about current and recent grants.

1. From the TEA home page, hover over the Finance and Grants box at the top of the page.
2. Select the Applying for a Grant link under the Grants section.
3. Select the link for TEA Grant Opportunities.

TEA Secure Applications Information
TEA is committed to protecting confidential and sensitive data. Access to data in TEA secure web applications is protected by at least one of TEA's security gateways, the Texas Education Agency Security Environment (TEASE) or by the Texas Education Agency Login (TEAL). Visit the TEA Secure Applications Information page of the TEA website for information about how to request access to a specific TEA web application.

If you already have access to TEASE or TEAL, use the direct links to these sites, which are found at the top of the TEA home page.

For more information about secure environments related to grants, visit the Access to TEA Secure Applications page of the TEA website.

Education Department General Administrative Regulations (EDGAR) and Other Applicable Grant Regulations
The U.S. Department of Education (USDE) website includes a page that provides links to all parts of EDGAR.

The New EDGAR page of the TEA website is dedicated to the new EDGAR regulations.

Definition of Terms
This section provides a definition of basic grant-related terms used throughout the handbook.

Request for Application (RFA)
The request for application (RFA) is the official document that describes a grant program and includes the guidelines governing the program (General and Fiscal Guidelines, program guidelines), any legal provisions and assurances that apply to the grant program, as well as the grant application and instructions for completing it. The RFA for all TEA-administered grants is posted on the TEA Grant Opportunities page.

The General and Fiscal Guidelines are those guidelines that apply to all TEA grant programs. These guidelines are updated periodically and are available on the Division of Grants Administration’s General and Fiscal Guidelines page. All grant applicants and grantees should be familiar with these guidelines.
The program guidelines are those guidelines that are specific to a grant program. These guidelines are accessible from the TEA Grant Opportunities page and, for grants published electronically, through the eGrants system.

Once approved by TEA, the signed and submitted grant application is a legally binding contract that incorporates all parts of the RFA, as well as supporting and amending documents such as frequently asked questions (FAQ) and errata notices.

An RFA is different from the following forms of request:

- Request for proposal (RFP): Generally associated with contracts rather than grants
- Request for qualifications (RFQ) or request for information (RFI): Means of gathering data about potential providers or suppliers

**Standard Application System (SAS)**

TEA uses a standard application system (SAS) model for all of its grants. Each grant application is developed based on standard schedule templates that are customized based on individual grant program requirements.

**Application Type**

TEA publishes grant applications via two methods: electronically, through the eGrants system, and on paper.

**eGrant**

An eGrant is a grant application that is published through eGrants, TEA’s electronic grants system. eGrants is accessible online through TEAL (see the section of this handbook titled “Accessing TEA Software Applications through the Secure Environment: TEASE and TEAL”). For every eGrant, the eGrants system stores and makes available all grant-related documents, such as the grant application, general and fiscal guidelines, program guidelines, and any errata notices issued for the grant.

**Paper Grant**

A paper grant is a grant application that must be downloaded in Word from the TEA Grant Opportunities page, completed on the applicant’s desktop, printed, signed, and mailed to the TEA Document Control Center. For every paper grant, all grant-related documents, such as the grant application, general and fiscal guidelines, program guidelines, and any errata notices issued for the grant are listed on the TEA Grant Opportunities page.

**Grant Type**

TEA administers two grant types: formula grants, and discretionary grants.

**Formula Grant**

Grantees are not required to compete for formula funds, although grantees are required to complete grant applications and comply with other grant requirements in order to ensure that grant funds are expended in accordance with the defined purpose and goals of the grant program. Almost all formula grants are eGrants.

Grantees are local educational agencies (LEAs), with grant awards determined by a mathematical formula defined in statute (either federal or state) that takes into account the LEA’s population intended to be served. For instance, for the Title I, Part A, grant program, an LEA’s funding depends on the number of “formula children” (that is, children who either come
from low-income homes, live in foster homes, or live in facilities for neglected children) who reside within the LEA’s boundaries.

**Discretionary Grant**

Discretionary grant programs are often funded by federal or state legislation to address current social issues, such as the need to prevent students from dropping out of high school or to increase literacy rates. Almost all discretionary grants are paper grants.

State-funded discretionary grants are funded through legislation that permits the commissioner of education to make certain decisions about how the grant funds will be awarded; in other words, the grant program is designed to allow the commissioner to use discretion in determining how the grant program will be designed and who will be eligible for funding.

Federally funded discretionary grants are funded through legislation passed by the US Congress.

**Discretionary Competitive Grant**

TEA defines eligibility criteria, and eligible applicants are required to submit applications that conform to stated requirements. Applications are reviewed and scored to determine which applicants receive grant funding.

**Discretionary Competitive Continuation**

Grant funding is made available only to grantees under the original grant application for an additional grant period than that specified in the original grant application. Continuation grant applications are not reviewed or scored.

**Discretionary Noncompetitive**

TEA determines the eligibility list and makes funds available to all eligible applicants that complete and submit a substantially approvable application.

**Funding Type**

TEA administers grants funded by two sources: federal funds and state funds.

**Federally Funded Grant**

Federally funded grants are authorized by legislation passed by the US Congress. USDE has oversight over most federal grants administered by TEA. Most of TEA’s federally funded grants fall under one of the following three major programs:

- Elementary and Secondary Education Act of 1965 (ESEA), as reauthorized by the No Child Left Behind Act of 2001 (NCLB) and the Every Student Succeeds Act of 2015 (ESSA)
- Individuals with Disabilities Education Act (IDEA)
- Carl D. Perkins Career and Technical Education Act (Perkins)

Although most grants under those three major federal programs are formula funded, federal grants may also be discretionary.

**State-Funded Grant**

State-funded grants are authorized by legislation passed by the Texas Legislature. They may be either formula or discretionary grants.
Shared Services Arrangement

A shared services arrangement (SSA) exists when two or more LEAs enter into a formal, written agreement for the performance and administration of a program. LEAs who enter into a written contract to jointly operate their grant programs as an SSA must follow procedures developed by TEA.

Grant Award

A grant award is the amount that a grant recipient may access, based on the requirements of a given grant. A grantee's expenditures may not exceed the amount of the grant award. All formula grant awards are based on population and poverty data from sources such as the US Census Bureau or information self-reported by the LEA and calculated using mathematical formulas published by the granting entity in statute (federal or state).

Formula Grant awards are generally made available in phases, as follows.

Planning Amounts

Planning amounts are calculated based on projected funding amount received from USDE for planning purposes.

Revised Planning Amounts

Planning amounts may be required to be recalculated for a number of reasons, including changes to the amount of grant funding made available by USDE. Revised planning amounts may be issued if these recalculations occur.

Final Amounts

When both population data and statutory formulas are final, final amounts are calculated for the last time.

 Carryover

Many federal grants authorize the funds remaining at the end of a grant period to be available to grant recipients through a carryover process. This allows grant recipients to use unobligated balances from the prior fiscal year in the current grant year. TEA grant staff calculate carryover amounts after a grant has closed and make the funds available to eligible grant recipients through their current approved applications.

Negotiations

When an applicant submits a substantially approvable grant application to TEA, or is selected for funding if the grant is competitive, grant negotiators review the application to ensure it complies with all applicable requirements of the grant. If changes must be made to the application to make it compliant, a negotiator contacts the applicant and assists the applicant in making those changes.

An application is said to have been “negotiated to approval” when the change process is complete, as applicable, and the application meets all requirements. At that point, a NOGA may be issued (see the Notice of Grant Award entry).

Grant negotiators also negotiate amendments to the application (see the Amendment entry).
Notice of Grant Award (NOGA)

When a submitted application has been negotiated to approval, TEA issues a Notice of Grant Award (NOGA). The NOGA includes the following information:

- Grant and grantee information: LEA name, county-district number, vendor ID, name of campus (if applicable), ESC region, and school year of the grant.
- FAR Fund Code: The code that identifies the grant in systems such as the Public Education Information Management System (PEIMS); used by TEA in order to identify what LEAs are receiving grant funds. The FAR Fund Code also identifies whether the grantee is receiving funds as an independent grantee or the fiscal agent of a shared services arrangement.
- FAR Rev Code: The code used by TEA for federal reporting purposes.
- Fed Awd #/CFDA #: Information drawn from the federal Grant Award Notice (GAN) received by TEA. The CFDA (Catalog of Federal Domestic Assistance) number identifies the grant program by statute.
- TEA Use Only: Identifies grant funds by the project ID assigned by TEA (first four digits), the year during which funds were awarded to TEA by the federal government (next two digits), and the accounting subcategory to which funds are assigned (last two digits). Note that a NOGA may include more than one line of information for a single grant. In that case, the grantee may have been awarded carryover. The two digits indicating year may be different in this case.
- Begin and end date of the grant: Indicates the period of availability for grant funds. Refer to the General and Fiscal Guidelines.
- Increase (Decrease): The amount by which the reissued NOGA has increased or decreased.
- Amount: The amount of grant funds being awarded in the NOGA.

Supplement to the NOGA

Along with the NOGA, the grantee receives a document called the Supplement to the NOGA. This document provides more information about the grant being awarded, including the following:

- Subrecipient Name: The name of the grantee
- Subrecipient Unique Entity Identifier: The county-district number for the grantee (may include campus number, if applicable)
- Subrecipient Information: Information required by the new EDGAR, such as the grant name, the period of performance, and the indirect cost rate for the grantee
- Subrecipient Terms and Conditions: References the various regulations, requirements and provisions and assurances that apply to the grant
- Name of Pass-Through Entity: The name of the awarding agency
- Contact Information for TEA Awarding Official
- Federal Award Information: This includes the federal awarding agency, the CFDA number for the grant, the federal award date, and the total amount of the federal award
- Federal Award Project Description: Describes the grant’s project (as referenced in the program guidelines for the grant)

Expenditure Reporting (ER) System

Grantees use the electronic expenditure reporting (ER) system to report allowable expenditures by class/object code and request reimbursement for those expenditures.
Amendment

An approved grant application describes the grant program the grantee has contracted with TEA to provide. Certain changes to the grant program being delivered must be approved in writing by TEA through the grant amendment process. All amendments must meet grant requirements in order to be approved. For information on when an amendment is required, refer to “When to Amend the Application” document in the Amendment Submission Guidance section of the Administering a Grant page.

The schedule for amending the grant application is included with every eGrants and paper RFA.

Accessing TEA Software Applications through the Secure Environment: TEASE and TEAL

TEA software applications that incorporate sensitive user data, such as details of grants awarded, are "secured" to prevent access by unauthorized users.

Access to all TEA secure software applications, including ER (the electronic expenditure reporting system, used to request reimbursement for allowable grant-related expenditures) and eGrants (the electronic grant management system), is managed through a “secure environment,” or secure portal.

The legacy secure environment is the TEA Secure Environment, or TEASE. ER and eGrants are both accessed through TEASE. However, TEASE is being phased out, and TEA is now making the transition to a new secure environment, known as TEA Login, or TEAL.

Transition from TEASE to TEAL

At some point in the near future, access to ER and eGrants will transfer to TEAL. To prepare for that transition, it is important for program directors to have access to both the TEASE and TEAL portals.

The following sections describe:

1. How to request a TEAL user account.
2. How to request a TEASE user account by requesting access to ER.
3. How to request access to another secure software application, in this case eGrants, once you have TEASE access.
4. How to log in to TEAL.
5. How to link to from TEAL to TEASE applications.
6. How to access TEASE applications through TEAL.

How to Request a TEAL User Account

Follow these steps to request a TEAL user account.

1. On the TEA home page, select the TEAL Login option at the top of the page.
2. On the [TEA Login (TEAL)] page, select the “Request New User Account” link.

![TEA Login (TEAL) page]

3. On the form that opens, complete all required fields and select the Submit button.

Within two business days of the submission of an approvable request, TEA’s TEAL administrators will reply with the user’s account information.

**How to Request a TEASE User Account by Requesting ER Access**

As described above, TEA is transitioning away from its legacy secure environment, TEASE, to a new secure software portal, TEAL. Two of the main systems program directors use in administering TEA grants, ER and eGrants, are still accessed through TEASE. Therefore, in addition to TEAL access, you must also request access to TEASE.

While you are waiting for your TEAL account to be created, follow the steps in the following section to request TEASE access. Note that TEASE access is granted through a request for access to a secure application. (That is, you apply for access to ER or eGrants and for TEASE access at the same time.) The following instructions describe how to request access to ER at the same time that you request a new TEASE account.

To request access to ER at the same time that you request a new TEASE account, follow these steps:
1. On the TEA home page, select the TEA Secure Applications Information option at the top of the page.

2. The screen that opens displays a list of applications accessed through both the TEASE and TEAL portals. Scroll down in the list to ER Expenditure Reports. Select the “Request Access Online” link in the third column.

| ER Expenditure Reports | TEASE Request Access Online (Districts, ESCs, Charters only) or Request form (print and send) | egrants@tea.texas.gov (512) 463-7025 |

4. On the Request New TEASE User Account screen that opens, select Expenditure Reporting from the drop-down list.

5. Complete the form that opens.
6. Complete the remaining screens as prompted.

The TEASE administrators will respond as soon as possible to requests for TEASE access.

How to Request Access to Another Secure Software Application (eGrants)

At this point, you have submitted requests for the following access:

- TEAL user account
- TEASE user account
- ER system access

You will also require access to the eGrants system. Because eGrants is accessed through TEASE, you must wait for your TEASE user account to be issued before you apply for access to eGrants.

Once you receive your TEASE user account, follow these steps to gain access to eGrants:

1. On the TEA home page, select the TEASE Login option at the top of the page.

2. Using the username and password supplied by the TEASE administrators, log in to TEASE.

3. On the Application List screen that opens, select “Add/Modify Application Access” in the upper right corner.
4. From the drop-down list on the Add/Modify Application Access screen that opens, select eGrants Production. A message will display to alert you that your employer's vendor ID number is required to complete the request. Your business office should have this number.

![Add/Modify Application Access](image)

5. Complete the remaining screens as prompted.

At this point, you have access to both secure environments, TEAL and TEASE, and to the two main secure software applications, ER and eGrants.

The following section describes how to log on to TEAL and how to link your TEASE applications to your TEAL account. Once you complete this step, you will access those linked applications directly through TEAL (without having to log separately onto TEASE).

**How to Log onto TEAL**

Follow these steps to log onto TEAL:

1. On the [TEA home page](#), select the TEAL Login option at the top of the page.
2. On the [TEA Login](#) page that opens, use the username and password supplied by the TEAL administrators to log onto TEAL.

On your first login, you will be prompted to change your password. Follow the instructions to choose a password that conforms to system requirements.

**How to Link TEASE Applications to TEAL**

After you log on to TEAL for the first time, you must link from TEAL to any secure applications you continue to access through TEASE. Once you have completed this step, you will be able to access all your secure applications directly through TEAL. The TEAL administrator will complete approvable link requests within a day.

Follow these steps to link from TEAL to your TEASE applications:
1. In the left navigation bar, under the Self-Service heading, select “Link TEASE Accounts.”

![Link TEASE Accounts](image)

2. On the screen that opens, select “Link a TEASE account.”

![Link a TEASE account](image)

3. Complete the screen that opens with the requested information.

![Complete the screen](image)

**How to Access TEASE through TEAL**

Once you have linked to your TEASE applications through TEAL, links to all your TEA secure applications are available on the Welcome page. Links are organized in accordance with the secure environment you use to open the secure application:

- Applications accessible directly through TEAL are listed to the left of the page, under the Applications tab.
A link to your TEASE account is available to the right of the page, under the TEASE User Accounts heading.

The following screenshot displays the applications available to the sample user, Virginia Beck. On the left side, the only TEAL application available is Time and Effort Reporting. On the right side, Virginia has access to her TEASE account through her user ID link.

To open a secure application accessible through TEAL, select the link to the application.

To open a secure application accessible through TEASE, follow these steps:

1. Select the user ID link, which lists your TEASE login.
2. The TEASE Application List page opens, with all available applications listed under the “Your Applications” heading. (Note, as in the circled entry on the screenshot below, that applications accessible directly through TEAL are no longer linked through TEASE.)

3. Under the “Your Applications” heading, select the application you want to open.

The following two sections provide basic information about using the ER and eGrants software applications.

**Help and Further Information**

The following sections provide basic information concerning access to TEASE and TEAL and use of TEAL.
For Assistance with TEAL and/or TEASE Access

For assistance with your TEAL and/or TEASE access request, contact the Computer Access team by email at computeraccess@tea.texas.gov or submit a request through the TEA Help Desk by selecting the Account Access box.

TEASE Help

The Division of Grants Administration Access to Secure Applications page includes a TEASE Accounts section that provides helpful links for users in need of help with their TEASE accounts.

In addition, from within TEASE itself, the TEASE help module is linked to the Application List screen that opens after you log in, as shown in the following screenshot.

![TEASE Help Module](image)

TEAL Help and Online Training Modules

The Division of Grants Administration Access to Secure Applications page includes a TEAL Accounts section that provides helpful links for users in need of help with their TEAL accounts.

TEAL is also equipped with online help and training modules that provide step-by-step instructions on how to use TEAL. The help and online training modules are linked to the Welcome screen that opens after you log in to TEAL, as shown in the following screenshot.

![TEAL Help Module](image)
Expenditure Reporting (ER) System

The expenditure reporting (ER) system is used to request payment for allowable expenditures.

Entering an Expenditure Request

After logging in to ER, you will be asked to enter your county-district number. On the screen that opens, you will select a school year then select the Search for NOGAs button to return a list of all NOGAs issued in that school year. The following example is drawn from the 21st Century Community Learning Centers grant for school year 2012–2013, with identifying information redacted.

The top portion of the screen that opens shows the following information:

- NOGA ID and name of the grant; name of the grantee and ESC region number
- Begin and end date of the grant
- The grantee’s DUNS and CCR numbers, as well as Congressional district number
- The budget approved for the grant
- Cumulative expenditures reported to date, along with the amount paid out by TEA
- Eligible remaining grant funds

The next portion of the screen, titled “Enter a New Expenditure Report below,” requires user input, as follows:

1. Enter reporting date range: Set the dates to correspond to the range during which the expenditure(s) were made.
2. This report type is a: Select “Periodic” for a payment request made during the grant period, “Final” to enter the final expenditure report for the grant.
3. Enter cumulative expenditure amount: Leave this field blank.

The next portion of the screen is titled “Expenditure Report Details.” The “Program Costs” column will be prefilled with the cumulative amount of expenditure requests approved and paid to date. Note that costs are broken out by class/object code. To enter a new expenditure request, follow these steps:
1. Determine the correct class/object code.
2. Add the amount being requested to the amount shown in the Program Costs column, so that the Program Costs column shows the cumulative amount requested to date.

<table>
<thead>
<tr>
<th>Class Object Code</th>
<th>Description</th>
<th>Program Costs</th>
<th>Administrative Costs</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>6100</td>
<td>Payroll Costs</td>
<td>16,193.64</td>
<td>0.00</td>
<td>16,193.64</td>
</tr>
<tr>
<td>6200</td>
<td>Professional &amp; Contracted Services</td>
<td>13,019.47</td>
<td>0.00</td>
<td>13,019.47</td>
</tr>
<tr>
<td>6300</td>
<td>Supplies &amp; Materials</td>
<td>1,433.23</td>
<td>0.00</td>
<td>1,433.23</td>
</tr>
<tr>
<td>6400</td>
<td>Other Operating costs</td>
<td>136.72</td>
<td>0.00</td>
<td>136.72</td>
</tr>
<tr>
<td>6600</td>
<td>Capital Outlay (exclusive of 6619 &amp; 6629)</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

The bottom portion of the screen shows the history of payment requests that have been paid and processed to date. A new payment request cannot be entered until all previous, pending requests are processed.

<table>
<thead>
<tr>
<th>Class</th>
<th>Description</th>
<th>Program Costs</th>
<th>Administrative Costs</th>
<th>Budgeted Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>6100</td>
<td>Payroll Costs</td>
<td>979,064.00</td>
<td>20,000.00</td>
<td>999,064.00</td>
</tr>
<tr>
<td>6200</td>
<td>Professional &amp; Contracted Services</td>
<td>352,000.00</td>
<td>0.00</td>
<td>352,000.00</td>
</tr>
<tr>
<td>6300</td>
<td>Supplies &amp; Materials</td>
<td>21,318.00</td>
<td>0.00</td>
<td>23,318.00</td>
</tr>
<tr>
<td>6400</td>
<td>Other Operating costs</td>
<td>5,000.00</td>
<td>0.00</td>
<td>5,000.00</td>
</tr>
<tr>
<td>6600</td>
<td>Capital Outlay (exclusive of 6619 &amp; 6629)</td>
<td>26,868.00</td>
<td>48,868.00</td>
<td>1,406,250.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Transaction Date</th>
<th>Report Type</th>
<th>Payment Status</th>
<th>Cumulative</th>
<th>Amount</th>
<th>Reserve Pending</th>
<th>Refund Amount</th>
<th>Payment Date</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 10/10/2012</td>
<td>Periodic</td>
<td>Paid/Processed</td>
<td>31,641.91</td>
<td>31,641.91</td>
<td>0.00</td>
<td>0.00</td>
<td>10/12/2012</td>
<td></td>
</tr>
</tbody>
</table>

**Certification Requirement under EDGAR**

EDGAR requires that grantees agree to a certification stating that the grantee is submitting an expenditure report that is true, complete, and accurate. The full statement appears each time a request for payment is submitted in the ER system. The grantee must have proper authorization in order to click the OK button and receive payment.
ER Help and Reference Manual

The ER help module is linked to each screen of the ER system (upper right corner).

In addition, the Expenditure Reporting (ER) Reference and Training Manual is posted in the Expenditure Reporting Guidance section of the Division of Grants Administration Administering a Grant page. Refer to the manual for instructions on how to use the ER system.

Approval of Expenditure Requests – Manual Review Process

The majority of expenditure requests are automatically paid once the request passes several “automated filters” that are programmed into the ER system. However, in order to comply with federal regulations under EDGAR, TEA monitors expenditure requests through a manual review and approval process. If a payment request triggers any of the pre-programmed filters, then the request is manually reviewed and approved by TEA staff before payment is issued.

If a payment request requires manual approval, TEA staff contacts the grantee and asks for a narrative justification for the request. Based on the narrative justification provided, TEA staff may approve the payment; request additional supporting documentation; or cancel the payment request if an adequate narrative justification is not received.

For information about how requests for expenditure are manually reviewed and approved, including detailed information on the justification required, refer to “Expenditure Payment Request Requiring Manual Approval,” also posted in the Expenditure Reporting Guidance section of the Division of Grants Administration Administering a Grant page.

Request for Extension of Expenditure Reporting Deadline

Under certain circumstances, if a final expenditure reporting deadline is missed, the grantee may be able to apply for an extension. A link to information about the process of requesting an expenditure reporting extension, including the required timeline, is posted as “Request to Extend Expenditure Reporting Deadline” in the Expenditure Reporting Guidance section on the Administering a Grant page. Requests are reviewed on a case-by-case basis.
For Assistance with ER

For assistance using the ER system, contact the Division of Grants Administration Cash Management/Fund Control Unit by email at teaexpenditures@tea.texas.gov or by phone at (512) 463-8525.

eGrants

As described in Definition of Terms, TEA publishes some of its grants electronically, through the eGrants system. eGrants serves several functions:

- Applicants apply for grant funds by completing eGrants forms and applications.
- Grantees meet grant requirements by completing eGrants forms and accessing information.

Accessing eGrants

To access the eGrants system, you need the following:

- TEAL user account
- TEASE user account
- ER system access
- TEASE applications (i.e., eGrants) linked to TEAL account

Refer to Access to TEA Secure Applications to complete those steps.

Opening eGrants

Follow the instructions given in Access to TEA Secure Applications.

The following sections provide a basic introduction to the information available on eGrants.

For Assistance with eGrants

Contact information for assistance with various aspects of eGrants is displayed on the right of the screen, in the gray Contact Information box, after a specific application has been selected.

- For help with questions related to the grant program itself, contact the TEA program staff listed. Depending on the grant program, this contact information will change.
- For help with questions related to the fiscal aspects of grant management, contact the TEA grant staff listed. This staff person may be reached by phone at (512) 463-8525 or via email at grants@tea.texas.gov.
- For technical assistance using the eGrants system, contact the TEA Help Desk. The TEA Help Desk is also accessible through the TEA Grant Opportunities page.

TEA Grant Opportunities Page

All grants administered by TEA are listed on the TEA Grant Opportunities page. For paper grants, the TEA Grant Opportunities page is the only online location for basic grant-related information. For eGrants, the TEA Grant Opportunities page replicates information that may be found in the eGrants system.

The following sections describe how to navigate the TEA Grant Opportunities page and what grant information is listed there.

Navigating the TEA Grant Opportunities Page

The TEA Grant Opportunities page is shown in the following screenshot, with the primary means of returning and narrowing search results marked on the image:
1. Application Name: This drop-down list includes the names of all TEA-administered grants published since the 2005–2006 school year. (Older grants are retained to satisfy records retention requirements.) If you know the full name of your grant, including the school year, you can simply select it from this list.

2. School Year: Use this drop-down list to narrow search results to a single school year. Use this drop-down list by itself or in combination with the Application Type drop-down list.

3. Funding Type: Select “Federal” or “State” from this list to view grants that are funded from either source. If grants are funded from both sources, they will be listed under “Federal.”

4. Application Type: Choose the type of grant to view (discretionary competitive, discretionary continuation, discretionary noncompetitive, or formula).

It is possible to search TEA grants by additional means:

- Using the Program/Subject Area drop-down list will return results tagged with your selected program/subject area; however, if a grant program was tagged with a different program/subject descriptor than the one you searched for, the grant will not be returned in your list.
- The Posting Status drop-down list identifies if the grant is confirmed or tentative. For grants with a tentative posting status, the dates displayed are the projected dates of availability only.
- Using the Funding Type drop-down list will separate results by funding type (federal or state).
- Using the Between Dates calendar boxes will return results for grants whose availability or due dates are already known.

In the following screenshot, “2015–2016” is selected in the School Year drop-down list, and “Discretionary Competitive” is selected in the Application Type drop-down list. The results returned are all TEA grants that meet those two criteria.
To view information for a grant, select the magnifying glass icon under the View heading.

Grant Information
The grant page that is displayed when a specific grant is selected is too big to be captured in a single screenshot. The following sections describe the grant information found in each part of a specific grant page.

Grant Page Heading
The following screenshot shows the heading of a specific grant page. To the left is the full name of the grant, including the school year. To the right is the grant type (discretionary competitive, in this case) and the SAS and RFA numbers, both of which are used in identifying the grant.

Program Information
The following screenshot shows the Program Information section of a specific grant page. This section includes the following information:

- **Program description**: Describes the goals and purpose defined for the grant program.
- **Eligibility**: Lists criteria applicants must meet to be eligible to apply for the grant.
- **Statutory authority**: Cites the statute (federal or state) authorizing funding of the program.
Funding Information

The following screenshot shows the Funding Information section of a specific grant page. This section includes the following information:

- Expected number of awards
- Any cost share or matching requirements
- Minimum/maximum grant award amounts
- Grant ID and description
- Grant start and end dates
- Funding type (federal or state) and source (CFDA number), along with percentage of award that comes from each source
- Amount of funding available

<table>
<thead>
<tr>
<th>Grant ID</th>
<th>Grant Description</th>
<th>Grant Start Date</th>
<th>Grant End Date</th>
<th>Fund Type</th>
<th>CFDA #</th>
<th>Percent</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>15610714</td>
<td>TTIPS Cycle 4</td>
<td>01/01/2016</td>
<td>07/31/2020</td>
<td>Federal</td>
<td>84.377A</td>
<td>100.00</td>
<td>$45,000,000.00</td>
</tr>
</tbody>
</table>

Total Funding Available

Application and Support Information

The following screenshot shows the Application and Support Information section of a specific grant page. This section provides links to the grant application and any additional application-related documents, such as frequently asked questions and errata notices.

Note that the purpose of this section is different for paper grants and eGrants:

- For eGrants, the application is completed and submitted from within the eGrants system; the links available on the TEA Grant Opportunities page are for reference only.
- For paper grants, the grant application is accessed from the links available in this section of the TEA Grant Opportunities page. The applicant downloads all the grant materials, complete the application on his or her desktop, then print the completed application and submit it in accordance with the rules described in the General and Fiscal Guidelines.
Critical Events

The following screenshot shows the Critical Events section of a specific grant page. This section includes the following information:

- If the grant is competitive, Texas Register notice publication date and notice of intent to apply due date
- Application availability and due dates
- Reporting periods, along with due dates for various required reports
- Last date for submitting amendments

<table>
<thead>
<tr>
<th>Critical Events</th>
<th>Event</th>
<th>Reporting Period</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td>Application Availability Date</td>
<td>-</td>
<td>06/19/2015</td>
</tr>
<tr>
<td>All</td>
<td>Texas Register Notice Date of Publication</td>
<td>-</td>
<td>06/19/2015</td>
</tr>
<tr>
<td>All</td>
<td>Notice Of Intent Due Date</td>
<td>-</td>
<td>07/22/2015</td>
</tr>
<tr>
<td>All</td>
<td>Application Due Date</td>
<td>-</td>
<td>08/20/2015</td>
</tr>
<tr>
<td>All</td>
<td>Last Amendment Due Date</td>
<td>-</td>
<td>05/01/2020</td>
</tr>
<tr>
<td>TTEPS Cycle 4</td>
<td>Final Expenditure Report</td>
<td>01/01/2016-07/31/2020</td>
<td>08/31/2020</td>
</tr>
<tr>
<td>TTEPS Cycle 4</td>
<td>Revised Final Expenditure Report</td>
<td>01/01/2016-07/31/2020</td>
<td>09/30/2020</td>
</tr>
<tr>
<td>All</td>
<td>Target Award Announce Date</td>
<td>-</td>
<td>11/4/2015</td>
</tr>
</tbody>
</table>

Contact Information

The following screenshot shows the Contact Information section of a specific grant page. This section includes the following information:

- Program contact: The person to email or call with questions related to the delivery of the grant program.
- Funding contact: The person to email or call with questions related to the funding of the grant program.
- Program evaluation contact: The person to email or call with questions related to any required evaluation of the program, if applicable.
- Contact for Electronic Access Issues: The email address and phone number to use for help with eGrants. (The following screenshot is from the specific grant page for a paper grant, so no eGrant contact information is listed.)

<table>
<thead>
<tr>
<th>Contact Information</th>
<th>Name</th>
<th>E-Mail</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Contact:</td>
<td>Leticia Govea</td>
<td><a href="mailto:Leticia.Govea@tea.texas.gov">Leticia.Govea@tea.texas.gov</a></td>
<td>(512) 463-1427</td>
</tr>
<tr>
<td>Funding Contact:</td>
<td>Karyn Gukeisen</td>
<td><a href="mailto:Karyn.Gukeisen@tea.state.tx.us">Karyn.Gukeisen@tea.state.tx.us</a></td>
<td>(512) 463-6525</td>
</tr>
<tr>
<td>Program Evaluation Contact:</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>
Grants Section of the TEA Website

The Grants section of the TEA website provides links to high-level topics related to grant administration and management. This section can be reached easily through the TEA homepage by selecting Grants from the Finance and Grants box at the top of the page.

The following sections provide a brief outline of the content available in this section of the site.

Federal Flexibility Initiative

This initiative seeks to provide increased flexibility for subrecipients of federal education grants. Visit the Federal Flexibility Initiative page of the TEA website for more information.

Division of Grants Administration

The Division of Grants Administration administers all formula and discretionary state-appropriated funds and federal grant funds awarded to TEA.

The division page includes links to the following grant information:

- The TEA Help Desk
- Administering a Grant
- Applying for a Grant
- Grants Awarded Data
- Training and other Resources

Division of Federal Fiscal Compliance and Reporting

This division ensures that the agency complies with the fiscal requirements of federal grants, such as maintenance of effort, comparability, and various reporting requirements.

Division of Federal Fiscal Monitoring

This division monitors the expenditures of federal grant subrecipients for compliance with various fiscal requirements. It also conducts reviews of federal grant subrecipients to ensure that federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements.

Applying for a Grant

The Applying for a Grant page provides the information you will need to apply for a grant with TEA, including how to apply through either the eGrants system or a paper application. The page contains the following sections.

- Allocation Amounts (State and Federal)
- Available Grants
- Competitive Review Process
- Grants Assistance
- New Grant Announcements
- Private Nonprofit School Associations

Administering a Grant Page

The Administering a Grant page lists information useful in managing a TEA grant. The following sections are available on this page.

- The New EDGAR
- Prior Approval and Disclosure Forms under the New EDGAR
Budgeting Funds

A primary part of applying for grant funds, and managing a grant program, is the process of preparing and maintaining a program budget. Essentially, budgeting funds means dividing them into the categories of planned expenditures. TEA has defined five common categories for expenditure of grant funds. Applicants must budget funds using those categories, and grantees must report their expenditures in terms of those categories. Each category is assigned a number, known as a “class/object code,” so that funds budgeted or expended in that category can be easily identified.

The following table delineates the most common categories of expenditures TEA has defined, along with the corresponding class/object codes.

<table>
<thead>
<tr>
<th>Category of Expenditure</th>
<th>Class/Object Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Budget</td>
<td>---</td>
</tr>
<tr>
<td>Payroll costs</td>
<td>6100</td>
</tr>
<tr>
<td>Professional and contracted services</td>
<td>6200</td>
</tr>
<tr>
<td>Supplies and materials</td>
<td>6300</td>
</tr>
<tr>
<td>Other operating costs</td>
<td>6400</td>
</tr>
<tr>
<td>Capital outlay</td>
<td>6600</td>
</tr>
</tbody>
</table>

Using the Budget Schedules

To qualify for grant funding, applicants must complete a set of forms known as the budget schedules. Each schedule is named with the category of expenditure and the corresponding class/object code, as shown in the preceding table. The line items in the budget schedules call for applicants to break out certain items, along with the projected amount to be spent on those items, for TEA approval.

The following screenshot shows a portion of Schedule #10—Other Operating Costs (6400) in the paper grant application.

<table>
<thead>
<tr>
<th>Expense Item Description</th>
<th>Grant Amount Budgeted</th>
</tr>
</thead>
<tbody>
<tr>
<td>6411 Out-of-state travel for employees. Must be allowable per Program Guidelines and must attach Out-of-State Travel Justification Form.</td>
<td>$</td>
</tr>
<tr>
<td>Number</td>
<td>Description</td>
</tr>
<tr>
<td>----------</td>
<td>------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>6412</td>
<td>Travel for students to conferences (does not include field trips). Requires authorization in writing.</td>
</tr>
<tr>
<td>6412/6494</td>
<td>Educational Field Trip(s). Must be allowable per Program Guidelines and must attach Educational Field Trip Justification Form.</td>
</tr>
<tr>
<td>6413</td>
<td>Stipends for non-employees other than those included in 6419</td>
</tr>
<tr>
<td>6419</td>
<td>Non-employee costs for conferences. Requires authorization in writing.</td>
</tr>
<tr>
<td>6411/6419</td>
<td>Travel costs for officials such as Executive Director, Superintendent, or Local Board Members. Allowable only when such costs are directly related to the grant. Must be allowable per Program Guidelines and must attach Out-of-State Travel Justification Form, if applicable.</td>
</tr>
<tr>
<td>6495</td>
<td>Cost of membership in civic or community organizations</td>
</tr>
<tr>
<td>64XX</td>
<td>Hosting conferences for non-employees. Must be allowable per Program Guidelines, and must attach Hosting Conference Justification Form.</td>
</tr>
<tr>
<td></td>
<td>Subtotal other operating costs requiring specific approval:</td>
</tr>
<tr>
<td></td>
<td>Remaining 6400—Other operating costs that do not require specific approval:</td>
</tr>
<tr>
<td></td>
<td>Grand total:</td>
</tr>
</tbody>
</table>

This screenshot shows the following:
- Schedule title at top is hyperlinked to instructions for completing the schedule
- Spaces for county-district number and amendment number (if applicable)
- Under Expense Item Description heading:
  - The class/object code of the specific cost (used only with frequently budgeted items, to help the grantee enter expenditures into ER and to report information as needed into PEIMS)
  - Description of the specific cost
- Space to fill in amount being budgeted

Some grants allow for pre-award costs. If allowable, the pre-award column would be available to fill in the amount budgeted for pre-award costs.

If grant funds are being budgeted for a cost described on a line item, the budgeted amount must be entered on the appropriate line. For example, if you plan to expend funds on out-of-state travel for employees, you must calculate the amount you anticipate spending and enter it on this line.

Changes to approved budgets must be made in accordance with “When to Amend the Application,” posted in the Amendment Submission Guidance section of the Administering a Grant page.

Not all costs are required to be budgeted as line items. Many costs do not require specific approval, as described in the following section.

**Costs That Do Not Require Specific Approval**

The Budgeting Costs Guidance Handbook, found in the Allowable Cost and Budgeting Guidance section of the Administering a Grant page, lists certain costs that are not required to
be broken out on the budget schedules. Instead, these costs are listed together on the “remaining costs” line of the budget schedule.

Time and Effort Documentation

The Federal Time and Effort Reporting Guidance Handbook, which describes the requirements for documenting payrolls costs, is available in the Handbooks and Other Guidance section of the Administering a Grant page.

You must ensure that state-funded and federally funded grants bear their fair share of cost. To support charges to payroll for personnel who spend time on grant activities, time and effort documentation requirements must be satisfied.

The new EDGAR describes seven characteristics that are required in your written time and effort policies and procedures (2 CFR 200.430). Be familiar with these characteristics and ensure that your current policies and procedures reflect them.

The new EDGAR does not list specific types of required documentation for time and effort. Therefore, TEA recommends at this time that you continue to maintain your existing system of documentation for time and effort if it meets the OMB circular for your organization under the previous version of EDGAR (A-87, A-21, or A-122, as applicable). Refer to the Federal Time and Effort Reporting Guidance Handbook for further guidance. The handbook may include the following.

State-Funded Grants

For state-funded grants with personnel salaries prorated between or among different funding sources, you must do the following:

- Maintain personnel activity reports that confirm services provided by each funding source.
- Adjust payroll records and expenditures based on this documentation.

Federally Funded Grants

For federally funded grants, time and effort documentation must conform to the federal cost principles applicable to the grantee organization, as follows:

- Charges to payroll must be documented according to federal requirements.
- Employee job descriptions for each employee must be current and must delineate all program or cost objectives under which the employee works. Job descriptions should be updated as new assignments are made.
- Daily class schedules for teachers and instructional aides may be used in lieu of time and effort reports for these personnel.
- Salaries and wages of employees used to meet cost share or matching requirements must be supported with time and effort records in the same manner.

Semi-Annual Certification

Semi-annual certification applies to employees who do one of the following:

- Work 100% of their time under a single grant program
- Work 100% of their time under a single cost objective

“Cost objective” means a function, organizational subdivision, contract, grant, or other activity for which cost data are needed and for which costs are incurred. A Title I, Part A, school-wide program funded from multiple funding sources is considered a “single cost objective.”
These employees are not required to maintain time and effort records. However, all employees must certify in writing, at least semi-annually, that they worked solely on the program for the period covered by the certification. The certification must be signed by the employee or by the supervisor having firsthand knowledge of the work performed. Grant charges must be supported by the semi-annual certifications.

**Substitute System of Time and Effort Reporting**

The federal time-and-effort reporting requirement comes from the new EDGAR. EDGAR requires employees who work on multiple activities or cost objectives to document their time and effort in one of two ways:

- By meeting the characteristics in 2 CFR 200.430(i)
- Through an approved "substitute system"

Completing, submitting, and maintaining monthly documentation can be cumbersome for employees and LEAs. To reduce that burden, USDE has approved a substitute system. Under the substitute system, employees may submit semiannual certifications instead of monthly personnel activity reports (PARs).

LEAs must have TEA approval prior to implementing this system. For more information, visit the [Substitute System of Time and Effort Reporting](#) page of the TEA website.

**Regulatory Overview**

Grant management is based on regulations contained in the following federal sources:

- [Education Department General Administrative Regulations (EDGAR)](#)
- [Cost Allocation Guide for State and Local Governments](#) (often called the “green book” due to color of the cover)

**EDGAR: Title 34 and Title 2 of the Code of Federal Regulations**

The Code of Federal Regulations (CFR) is published by the Office of the Federal Register and details how the statutory authority in United States Code (USC) is to be interpreted.

Title 34, Code of Federal Regulations (CFR), Parts 75-79, 81 to 86 and 97-99 EDGAR is currently in transition. For grants awarded to TEA or directly to an LEA prior to December 26, 2014, EDGAR Parts 74 and 80 still apply. For grants awarded to TEA or directly to an LEA on or after December 26, 2014, 2 CFR Part 200 applies.

For more information on the newly revised EDGAR, visit [USDE’s EDGAR](#) website.

**Accessing EDGAR**

[EDGAR](#) is available on the ED.gov website. Program directors should bookmark [EDGAR](#) on their web browsers and become familiar with the regulations described in this overview.

**Reading CFR Citations**

In regulations cited from the CFR, the title, part, and section numbers are used as follows: 34 CFR 75.100 (in which 34 is the title number, 75 is the part number, and 100 is the section number). A section symbol (§) is not used in CFR citations.

**General and Specific Parts of EDGAR**

The parts of EDGAR that are applicable to federal education grants can be found in two major titles: Title 34 and Title 2.
Title 34 includes general regulations that apply to all education grant programs. Title 2 contains regulations that apply specifically to particular federal grant programs.

**Obligation of Grant Funds/Records Retention: 34 CFR Part 76**

**Obligations: 34 CFR 76.707**
The table below is taken from 34 CFR 76.707 and defines when obligations are made for various kinds of property and services. The first column of the table describes categories of expenditures that could be made with grant funds. The second column describes when, if grant funds are to be used in any of those categories, the encumbrance is considered to be incurred—i.e., when the obligation to expend grant funds is made.

As described in the General and Fiscal Guidelines, Obligation of Funds section, “Program funds shall not be obligated for expenditure before the beginning date of the grant or after the ending date of the grant unless pre-award costs are expressly permitted for the individual grant program.”

<table>
<thead>
<tr>
<th>If the Obligation Is For—</th>
<th>The Obligation Is Made—</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition of real or personal property</td>
<td>On the date the grantee makes a binding written commitment to acquire the property</td>
</tr>
<tr>
<td>Personal services by an employee of the grantee</td>
<td>When the services are performed</td>
</tr>
<tr>
<td>Personal services by a contractor who is not an employee of the grantee</td>
<td>On the date on which the grantee makes a binding written commitment to obtain services</td>
</tr>
<tr>
<td>Performance of work other than personal services</td>
<td>On the date on which the grantee makes a binding written commitment to obtain the work</td>
</tr>
<tr>
<td>Public utility services</td>
<td>When the grantee receives the services</td>
</tr>
<tr>
<td>Travel</td>
<td>When travel is taken</td>
</tr>
<tr>
<td>Rental of real or personal property</td>
<td>When the grantee uses the property</td>
</tr>
<tr>
<td>A pre-agreement cost approved under 2 CFR Part 200, Subpart E – Cost Principles</td>
<td>On the first day of the grant performance period</td>
</tr>
</tbody>
</table>

**When Grantees May Begin to Obligate Funds: 34 CFR 76.708**
As stated in 34 CFR 76.708(a)(1) and (2), for formula grants, grantees may begin to obligate funds on the date the funds are available (effective date on state’s grant award from USDE, usually July 1) or the date the applicant submits its application to the state in substantially approvable form, whichever is later.

As stated in 34 CFR 76.708(c), for discretionary grants, grantees may begin to obligate funds when the award is made to the grantee (on the NOGA date, unless pre-award is allowed).

**Rules Applicable to Obligations Made during a Carryover Period: 34 CFR 76.710**
The statute and regulations that apply to a program remain in effect during any carryover period. As stated in 34 CFR 76.710, “A State and a subgrantee shall use carryover funds in accordance with: (a) The Federal statutes and regulations that apply to the program and are in effect for the carryover period; and (b) Any State plan, or application for a subgrant, that the State or subgrantee is required to submit for the carryover period.”

**Records Requirements: 34 CFR 76.730**
This section defines the required contents of records kept by the grantee.
“A State and a subgrantee shall keep records that fully show: (a) The amount of funds under the grant or subgrant; (b) How the State or subgrantee uses the funds; (c) The total cost of the project; (d) The share of that cost provided from other sources; and (e) Other records to facilitate an effective audit.”

**Definitions That Apply to USDE Regulations**

**34 CFR Part 77.1**

34 CFR Part 77.1 defines grant terms that apply to all federal education grants. Federal program directors should be familiar with the definitions of the terms “grantee” and “local educational agency” found in 34 CFR 77.1(c).

**2 CFR Part 200**

This part is applicable to all federal education grants. This includes ISDs, ESCs, open-enrollment charter schools, IHEs and NPOs.

2 CFR Part 200 consists of the following subparts and sections:

<table>
<thead>
<tr>
<th>2 CFR 200</th>
<th>Section Title</th>
<th>Sections</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Subpart A</strong></td>
<td>Acronyms/Definitions</td>
<td>§200.0 - §200.99</td>
</tr>
<tr>
<td><strong>Subpart B</strong></td>
<td>General Provisions</td>
<td>§200.100 - §200.113</td>
</tr>
<tr>
<td><strong>Subpart C</strong></td>
<td>Pre-Federal Award Requirements and Contents of Federal Awards</td>
<td>§200.200 - §200.211</td>
</tr>
</tbody>
</table>
| **Subpart D** | Post Federal Award Requirements | §200.300 - §200.309 Standards for Financial/Program Management  
§200.310 - §200.316 Property Standards  
§200.317 - §200.326 Procurement Standards  
§200.327 - §200.332 Performance/Financial Monitoring and Reporting  
§200.333 - §200.337 Record Retention and Access  
§200.338 - §200.342 Remedies for Noncompliance  
§200.343 Closeout  
§200.344 Post-Closeout Adjustments/Continuing Responsibilities  
§200.345 Collection of Amounts Due |
| **Subpart E** | Cost Principles | §200.400 - §200.401 General Provisions  
§200.402 - §200.411 Basic Considerations |
High-Risk Grantees and Specific Conditions

2 CFR 200.205(c) requires that TEA evaluate the risks posted by federal grant applicants. TEA may consider any items, including the following:

- Financial stability
- Quality of management systems and ability to meet the management standards outlined in EDGAR
- History of performance in managing federal grants
- Reports and finding from audits performed
- Ability to effectively implement statutory, regulatory, or other requirements
- Compliance with 2 CFR Part 180 regarding guidelines on suspension and debarment

2 CFR 200.207(b) outlines the specific conditions that TEA may impose when a subgrantee fails to meet the criteria set forth in the grant requirements.

- Requiring payments on a reimbursement basis
- Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given funding period
- Requiring additional, more detailed financial reports
- Additional project monitoring
- Requiring the subgrantee to obtain technical or management assistance
- Establishing additional prior approvals

2 CFR 200.207(c) requires TEA to notify the applicant of the following:

- The nature of the additional requirements;
- The reason why the additional requirements are being imposed;
- The nature of the action needed to remove the additional requirements, if applicable;
- The time allowed for completing the actions, if applicable; and
- The method for requesting reconsideration of the additional requirements imposed.
EDGAR requires that TEA promptly remove any specific conditions once the conditions that prompted them have been corrected.

Other Critical Sections of EDGAR

The following additional sections of EDGAR are important for grantees to be familiar with.

<table>
<thead>
<tr>
<th>Financial Management Systems</th>
<th>2 CFR 200.302(b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Period of Performance</td>
<td>2 CFR 200.309</td>
</tr>
</tbody>
</table>
This section describes when costs may be charged to the grant. (See 34 CFR 75.707 for a table outlining when obligations of different types are made.)

<table>
<thead>
<tr>
<th>Matching or Cost-Sharing Requirements</th>
<th>2 CFR 200.306</th>
</tr>
</thead>
</table>
This section provides a detailed description of how match or cost share requirements may be met.

<table>
<thead>
<tr>
<th>Allowability of Costs</th>
<th>2 CFR, Subpart E – Cost Principles</th>
</tr>
</thead>
</table>
Subpart E of 2 CFR 200 provides basic guidelines on what makes a cost allowable. The cost must be:
- Reasonable and necessary
- Allocable
- Not prohibited under state or local law or regulations
- Conform to limitations as to types or amounts, consistent with policies, regulations, and procedures
- Consistent treatment of costs
- In accordance with generally accepted accounting principles
- Not be a cost used to meet matching or cost-sharing requirements
- Adequately documented

Uniform Grant Management Standards (UGMS)

In accordance with the Uniform Grant and Contract Management Standards Act of 1981, codified in Chapter 783 of the Texas Government Code, the state of Texas has developed a set of standards to “promote the efficient use of public funds in local government and in programs requiring cooperation among local, state, and federal agencies.”

UGMS has not yet been approved to align with the new EDGAR.

Cost Allocation Guide for State and Local Governments

The Cost Allocation Guide for State and Local Governments is intended to provide “assistance to state and local governments determining indirect cost and allocation methodologies in accordance with OMB Circular A-87 and agency regulations.” The guide does the following:
- Defines key terms in allocating costs
- Defines indirect costs and indirect cost rate calculations
- Discusses consistent treatment of costs
- Defines restricted and unrestricted indirect cost rates
- Discusses limitations of administrative costs and time and effort documentation
Copyright © Notice. The materials are copyrighted © and trademarked ™ as the property of the Texas Education Agency (TEA) and may not be reproduced without the express written permission of TEA, except under the following conditions:

1) Texas public school districts, charter schools, and Education Service Centers may reproduce and use copies of the Materials and Related Materials for the districts’ and schools’ educational use without obtaining permission from TEA.

2) Residents of the state of Texas may reproduce and use copies of the Materials and Related Materials for individual personal use only without obtaining written permission of TEA.

3) Any portion reproduced must be reproduced in its entirety and remain unedited, unaltered and unchanged in any way.

4) No monetary charge can be made for the reproduced materials or any document containing them; however, a reasonable charge to cover only the cost of reproduction and distribution may be charged.

Private entities or persons located in Texas that are not Texas public school districts, Texas Education Service Centers, or Texas charter schools or any entity, whether public or private, educational or non-educational, located outside the state of Texas MUST obtain written approval from TEA and will be required to enter into a license agreement that may involve the payment of a licensing fee or a royalty.

For information contact: Texas Education Agency, 1701 N. Congress Ave., Austin, TX 78701-1494; email: copyrights@tea.texas.gov.