

BS6003—Program Budget Summary and Support

The budgeted amounts for program costs for each class/object code are summarized on this schedule, and those costs requiring specific approval are itemized. *All expenditures, including amounts budgeted for items not requiring specific approval, must be budgeted within an appropriate class/object code to be reimbursed by TEA. In other words, to expend funds in any class/object code, you must have funds budgeted in that class/object code.*

All applicants must complete Schedule BS6003. The schedule reflects the total funds budgeted for each fund source. You are required to maintain records on all expenditures according to the Financial Accounting and Reporting (FAR) Module of the Financial Accountability System Resource Guide.

Part 2 of the BS6003 summarizes budgeted information by class/object code as well as by funding source.

Note: Part 2 must include amounts for items not requiring specific approval as well as amounts for items requiring specific approval, all added together to equal the entire grant budget.

Parts 4–9 contain the budgeted information for items either that require specific approval under the Federal cost principles or that are of particular interest to our stakeholders. To be reimbursed by TEA for an item that requires specific approval, it must be properly budgeted in the grant application. Budgeted costs that do not require specific approval should be budgeted on the line for remaining items that do not require specific approval on each schedule. All funds must be budgeted. The budget information is as follows:

Part 4: 6100 Payroll Costs—All payroll costs require specific approval.

Part 5: Itemized 6200 Professional and Contracted Services Costs Requiring Specific Approval

Part 6: Itemized 6300 Supplies and Materials Costs Requiring Specific Approval

Part 7: 6400 Other Operating Costs Requiring Specific Approval

Part 8: Itemized 6500 Debt Service—All costs require specific approval.

Part 9 Itemized 6600 Capital Outlay—All capital outlay requires specific approval, regardless of cost.

Part 10: LEA Practices Which Meet the Nine Perkins Funding Requirements

Part 11: Required Uses of Funds

Part 12: Pooling of Perkins Funds

Note: When specific approval is required for nonprofit organizations, this requirement includes charter schools operated or chartered by a nonprofit organization.

Allowable Costs

Costs must be allocable to a particular grant award in accordance with relative benefits received. They must be treated consistently with other costs incurred for the same purposes in like circumstances and they must meet the following:

- Be incurred specifically for the grant
- Benefit the grant and other work
- Be distributed in reasonable proportion to the benefits received

Any cost allocable to a particular grant or other cost objective may not be shifted to other grant awards to overcome deficiencies or to avoid restrictions required by law or by the terms of the grant award.

To assign budgeted items to proper class/object codes, you are strongly encouraged to consult with your business or accounting office before submitting the application. Advance coordination will expedite negotiation and application processing.

If you receive a grant, you must comply with the Federal cost principles in expending grant funds. Refer to “Cost Principles” and to [Guidelines Related to Specific Costs](#) for additional information. Also refer to the General and Fiscal Guidelines for more information about allowable costs. All encumbrances and expenditure of funds approved shall occur on or after the effective date of this application—upon certification or submission of the grant application or the first day of the grant availability period, whichever is later.

Reasonable and Necessary Costs

In accordance with the Federal cost principles, costs must be reasonable and necessary for operation of the program. Reasonable costs are consistent with prudent business practice and comparable to current market value. Necessary costs are essential to accomplish the objectives of the project. All items requested must be allowable expenditures under the authorizing program statutes, regulations, and rules.

In accordance with the Federal cost principles, to be allowable under a grant award, costs must meet the following criteria:

- Be reasonable for the performance of the grant and be allocable under the applicable cost principles
- Conform to limitations or exclusions set forth in applicable cost principles or the grant agreement as to types or amount of costs
- Be consistent with policies or procedures that apply uniformly to federally-funded activities and activities funded from other sources
- Be accorded consistent treatment among all grant programs, regardless of funding source
- Be determined in accordance with generally accepted accounting principles (GAAP)
- Not be included as costs or used to meet cost-sharing or matching requirements of any other federally-funded program in the current or a prior period.

Determine the reasonableness of a cost by considering whether the following is met:

- The cost is of a type generally recognized as ordinary and necessary for operation of the organization or grant performance.
- Restrictions or requirements are imposed for generally accepted sound business practices, arms length bargaining, Federal or state laws and regulations, and grant award terms and conditions.
- Individuals acted with prudence in the circumstances of responsibility to the organization, its members, employees, clients, the public, and the Federal government.
- There are no significant deviations from established practices of the organization that may unjustifiably increase grant costs.

Amendments

For guidance on when to amend the application, refer to Amendments: When to Amend the Application on the Grant Management Guidance section of the Division of Grants Administration [Grant Management Resources page](#).

Specific Instructions for Completing BS6003

Statutory Authority

Information identifying the statute authorizing the grant program prefills into this area from the grant setup information.

Fund Code FAR/SSA

The identifying funding code prefills into this area from the grant setup information.

Part 1: Available Funding

Allocation

This field prefills with the total amount of available funding from the entitlement for the Perkins grant.

Incentive Allocation

This field prefills with an incentive allocation amount.

Reallocation Funds

This field prefills with the total amount of funds from reallocations.

Grand Total

Total Funds Available

This field adds the totals to show the total available funds.

Part 2: Total Budgeted Costs**6100 Payroll Costs**

Use this class/object code to request employee payroll costs. Items requested must be allowable expenditures under the authorizing program statutes, regulations, and rules. Request funds only in those class/object codes that are necessary to fulfill your project objectives.

All payroll costs require specific approval. See more information on payroll costs in the instructions for **Part 4**.

Report all applicable gross salaries, wages, and benefits to be charged to this program. Only employee costs are included on this schedule. Do not list costs for people who are not employees (consultants or contractors).

1. Type in the total payroll costs. Make sure all positions funded by the grant program are listed in **Part 4**. If you entered a number in **Part 4**, you must enter an amount in this row for the corresponding funding source.
2. Type any administrative costs budgeted to payroll.

6200 Professional and Contracted Services

This category of costs is for those related to professional and contracted services. This row fills from the amounts you enter in **Part 5**.

6300 Supplies and Materials

This category of costs is for supplies and materials. This row fills from the amounts you enter in *Part 6*.

6400 Other Operating Costs

This category of costs is for other operating costs. This row fills from the amounts you enter in **Part 7**.

6500 Debt Service

This category of costs includes lease-purchases. Lease-purchases must be allowable expenditures under the authorizing program statutes, regulations, and rules. Refer to Application Guidelines—Part 2: Program Guidelines and Use of Funds to determine if debt service is allowable under the grant program. This class/object code is used to budget funds to retire the principal of long-term capital lease-purchases and to pay interest accrued on those purchases. All costs related to a lease-purchase must be specifically approved by TEA in the grant application.

This row fills from the amounts you enter in **Part 8**.

6600 Capital Outlay

Use this class/object code to enter the amount budgeted for all capital assets, including those under \$5,000 and those of \$5,000 or more. All capital outlay regardless of the dollar amount requires specific approval in Part 9. All capital outlay items must be itemized in Part 9 of this schedule. This row fills from the amounts you enter in **Part 9**.

8911 Operating Transfers Out

Use this class/object code only if you are combining funds for use in schoolwide programs authorized by the No Child Left Behind Act.

Combining funds to meet the collective needs of the included programs allows schools to address needs in an integrated way and relieves schools from the burden of documenting that a specific program dollar was expended for a specific program activity. In other words, the Federal funds lose their “program” identity. However, the Federal funds do not lose their “fiscal” identity.

For example, Title I expenditures do not have to be tracked back to allowable Title I activities. However, Title I expenditures do have to be tracked back to the Title I Fund Code, and all generally accepted accounting principles must be followed. In addition, the school must be able to demonstrate (i.e., document) that it met the intent and purposes of the program and that the needs of the intended beneficiaries of the program were met.

Your organization may choose to transfer Federal program funds through a locally defined system of federally funded special revenue fund codes. For example, if a schoolwide campus plans to use Title I program funds to upgrade the entire educational program, you should transfer these program funds using a locally defined, federally funded special revenue fund code for each program.

By using this “transfer out” option, you will budget program funds as a lump sum in class/object code 8911. Because the program funds are “transferred out” to a locally defined, federally funded special revenue fund code, the program funds are identified automatically as being included for upgrading the entire educational program.

Type the total program costs budgeted for transfers out.

Subtotal**Maximum Allowable Indirect Costs**

This box indicates the maximum allowable indirect costs for this grant program.

Total Direct Costs

This line totals the budgeted costs from all the class/object codes for each funding source.

Total Indirect Costs

Type the amount of indirect costs, if any.

Any amount listed for indirect costs on the Budget Summary is an estimate only. Indirect costs may be claimed based on actual expenditures declared on the expenditure reporting system, regardless of whether you have included indirect costs on the Budget Summary in the original application or amendment. For guidance on indirect costs, including a worksheet for calculating the maximum indirect costs that may be claimed for the grant, refer to Indirect Cost Instructions, Guidance, and Worksheet posted in the Grant Management Guidance section of the Division of Grants Administration Grant Management Resources page.

The **Total Direct Costs** and **Total Indirect Costs** are summed in **Total Budgeted Costs**. The **Total Budgeted Costs** in **Part 2** must equal the **Total Funds Available** in **Part 1**.

Grand Total

For each funding source, this row shows the total of the Total Direct Costs and the Total Indirect Costs.

Shared Services Arrangement

In a Shared Services Arrangement (SSA), the sum of the fiscal agent's and the member LEAs' funds must be reflected on the Schedule BS6003 by class/object code. It is mandatory that the fiscal agent maintain individual and member LEA expenditure data, because these records are auditable. A detailed list of expenditures by the member LEAs must support the expenditure reports that the fiscal agent retains. The fiscal agent is responsible for ensuring that all funds, including payments to member LEAs, are expended in accordance with applicable laws and regulations.

1. For Perkins, type the total amount of payments to SSA member districts, if any. These costs must be budgeted in the appropriate class/object code. This amount may duplicate a portion of the above Total Budgeted Costs. The fiscal agent may not reallocate the entire SSA budget to individual SSA members.
2. Type any administrative costs to be budgeted to the SSA.

Note: Member districts must report expenditures to the fiscal agent by object code of expenditure. The fiscal agent will submit composite expenditures by class/object code for all member districts and the fiscal agent.

Mutually Beneficial Purposes and Programs That Will Be Provided to ALL Members of the SSA

1. Check one or more boxes to indicate activities that will be provided to all members of the SSA.
2. If there are some activities that are not listed, check the **Other** box and type in a short description of the activity.

Part 3: Waiver from the Minimum \$15,000 Requirement

If your school is at least 30 highway miles from the nearest neighboring high school and therefore is unable to enter into a consortium for providing the programs, services, or activities authorized under Secondary School Career and Technology programs, or if it is an approved charter school that is unable to enter into a consortium, you can request a waiver from the minimum requirement of \$15,000.

1. If the school is at least 30 highway miles from the nearest neighboring high school, preventing you from entering into a consortium to provide services, check Rural Sparsely Populated Area.
 - Type the number of highway miles from the nearest high school.
 - Type the name of the nearest high school.
2. If your school is an approved charter school, check Approved Charter School.

3. If you are unable to enter into a consortium, explain why not.

Note: One or both checkboxes must be selected if both of the following conditions apply:

- The LEA is eligible for less than \$15,000.
- The LEA selected Apply on Own on the ADC form.

Part 4: 6100—Payroll Costs

This section must be completed to request employee payroll costs. All employee payroll costs require specific approval. Items requested must be allowable expenditures under the authorizing program statutes, regulations, and rules. All standard budget items are preprinted for your convenience. Request funds only that are necessary to fulfill your project objectives.

Report all applicable gross salaries, wages, and benefits to be charged to this program. Only employee costs are included on this schedule. Do not list costs for people who are not employees (consultants or contractors).

Unallowable Costs

Costs that are not allowed are the following:

- **Personal liability insurance:** Allowable fringe benefits do not include any type of personal liability insurance. Liability insurance is allowed only for the organization for carrying out grant activities, not for the individual as a fringe benefit, and is budgeted or expended as “other operating costs.”
- **Voluntary Retirement Plans:** These plans are employer contributions to voluntary retirement plans such as 403b or 401k.

Administrative Costs

Consult the Program Guidelines to determine if administrative costs are limited. Examples for administrative payroll costs may include the following:

- Salaries and benefits for staff who supervise program staff
- Personnel who perform fiscal and reporting activities related to the grant

If you are required to identify administrative costs, do so in Part 2 of the Budget Summary.

Number of Positions

1. Type the number of positions to be charged to the grant.

You must list all part-time and full-time positions to be charged to the grant on this schedule. Most of the common titles are listed.

2. Type the number of administrative positions to be charged to the grant.
3. If you are paying other employees from the grant funds, list them under Other.

Budget extra-duty pay—pay for work that is beyond normal work hours—and employee benefits in **Substitute, Extra-Duty, Benefits**.

Substitute, Extra-Duty, Benefits

1. Check the box to indicate that some or all of the funds budgeted will be used to pay for personnel funded by the project who provide services on schoolwide campuses not coded to 8911.
2. Check the box to request extra-duty pay—pay that is for beyond normal work hour—for professional personnel or for support personnel. If applicable, check the box for administrative positions.
3. Check the box to request substitute pay not included in the lines above.

Substitute pay is not to exceed the amount determined by local district policy. Pay for substitute teachers is allowable only for public school and open enrollment school teachers. Substitute pay for private nonprofit school teachers is not allowable under any circumstances.

Allowable examples include the following:

- Replacing career and technology education teachers who are absent
- Allowing teachers to participate in grant-funded professional development activities
- Allowing teachers to participate in grant-funded planning activities

Time and Effort Documentation for Personnel

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 a grant, time and effort documentation requirements must be satisfied.

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.

Documentation Required for Charges to Payroll for Federally Funded Programs

Refer to the appropriate section below to determine the documentation required for charges to payroll for the following types of organizations:

- LEAs, ESCs, and open-enrollment charter schools operated by a government entity
- Nonprofit organizations, including open-enrollment charter schools operated by a nonprofit organization
- Colleges and universities, including open-enrollment charter schools operated by an IHE

Documentation Required under OMB Circular A-87 for LEAs, ESCs, and Open-Enrollment Charter Schools Operated by a Governmental Entity

All charges to payroll for grant-funded personnel must be based on one of the following:

- Semi-annual certification
- Time and effort records
- Substitute system

Refer to the section “Compensation for personal services” in OMB Circular A-87 for more detailed information pertaining to charges to payroll.

Semi-Annual Certification

Semi-annual certification applies to employees who meet 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, schoolwide 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 first-hand knowledge of the work performed. Charges to the grant must be supported by these semi-annual certifications.

Time and Effort

Time and effort applies to employees who meet one of the following:

- Do not work 100% of their time in a single grant program
- Work under multiple grant programs
- Work under multiple cost objectives

These employees are required to maintain time and effort records or to account for their time under a substitute system. See Substitute Systems in Lieu of Time and Effort Reports. Employees must prepare time and effort reports at least monthly to coincide with pay periods. Such reports must reflect an after-the-fact distribution of 100 percent of the actual time spent on each activity and must be signed by the employee. Charges to payroll must be adjusted to coincide with preparation and submittal of the interim expenditure report required for TEA discretionary grants.

Here are a couple of examples:

Employees who work partially on administering Perkins programs and work partially on administering other programs must maintain time and effort or account for their time under a substitute system.

Employees who work partially on administrative activities (paid from administrative funds) and work partially on program activities (paid from program funds) must maintain time and effort or account for their time under a substitute system.

Substitute Systems in Lieu of Time and Effort Reports

Substitute systems for allocating salaries and wages may be used in place of time and effort reports. Substitute systems may include but are not limited to random-moment sampling, case counts, or other quantifiable measures of employee effort. Substitute systems that use sampling methods must meet acceptable statistical sampling standards. Refer to OMB Circular A-87 for detailed requirements.

Documentation of rationale and calculations for allocating salaries and wages must be maintained for audit purposes. It is recommended that a copy of a Certified Public Accountant's approval of a substitute system be kept on file for documentation. An unacceptable or invalid substitute system could result in an audit finding and the return of grant dollars to TEA.

Documentation Required under OMB Circular A-122 for Nonprofit Organizations and Open-Enrollment Charter Schools Operated by a Nonprofit Organization

All charges to payroll for grant-funded staff must be based on distribution of activity reports. This requirement includes professionals and nonprofessionals whose compensation is charged, in whole or in part, directly to awards. Therefore, *all grant-funded personnel, whether 100% funded or partially funded, must maintain time and effort records.*

Employees must prepare time and effort reports at least monthly, to coincide with pay periods. Such reports must reflect an after-the-fact distribution of 100 percent of the actual time spent on each activity and must be signed by the employee. Charges to payroll must be adjusted based on time and effort records.

Charges for salaries and wages of nonprofessional employees must also be supported by records indicating the total number of hours worked each day maintained in conformance with the Department of Labor regulations implementing the Fair Labor Standards Act (FLSA). For this purpose, nonprofessional employee shall have the same meaning as nonexempt employee under FLSA.

Refer to the section "Compensation for personal services" in OMB Circular A-122 for more detailed information about charges to payroll.

Documentation Required under OMB Circular A-21 for Colleges and Universities and Open-Enrollment Charter Schools Operated by an IHE

All charges must be based on payrolls documented in accordance with the generally accepted practices of colleges and universities. The method must provide for after-the-fact confirmation or determination by responsible persons with suitable means of verifying that the work was performed.

The payroll distribution system must reflect categories of activities expressed as a percentage distribution of total activities. Charges may be initially based on estimates made before services are performed. Significant changes in the work activity must be identified and entered into the payroll distribution system.

Following are examples of acceptable methods:

- **Plan-Confirmation:** The distribution of salaries and wages is based on budgeted, planned, or assigned work activity, updated to reflect any significant changes in work distribution. Certain standards must be met, as outlined in OMB Circular A-21, including an annual statement signed by the employee certifying that the work was performed.

- **After-the-Fact Activity Records:** Distribution of salaries and wages is supported by activity reports that reflect an after-the-fact description of the activity expended by employees. Charges may be made initially on the basis of estimates, provided that such charges are promptly adjusted if significant differences are indicated by activity records.
- **Multiple Confirmation Records:** The distribution of salaries and wages is supported by records that certify separately for direct and facilities and administration (synonymous with indirect) cost activities.

Activity reports must be prepared for each academic term, but no less frequently than every six months, and must be signed by the employee or a person having direct knowledge of the work performed. Charges may be made initially on the basis of estimates, provided that such charges are promptly adjusted if significant differences are indicated by activity records.

Refer to “Compensation for personal services” in OMB Circular A-21 for more detailed information about charges to payroll.

Part 5: 6200—Professional and Contracted Services Costs

Complete this part for professional or contracted services rendered by firms, individuals, and other organizations not on your payroll. All items requested must be allowable under the authorizing program statutes, regulations, and rules. Normally, professional and contracted services represent a complete service that is rendered for the school district, and no attempt should be made to separate labor from supplies. All such services must have specific approval.

Consultants must be selected based upon demonstrated competence, qualifications, experience, and reasonableness of proposed fees. Request funds only as necessary to fulfill your project objectives.

Note: Payments for any contracted services performed by consortium members must be listed in this schedule.

Unallowable Costs

You shall not use or pay any consultant in the conduct of this application if the services to be rendered by such consultant could have been rendered by your 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
- More than two-color printing on any item unless specifically approved by TEA
- Retainer fees

Legal fees and expenses are allowed only as necessary for the administration of the grant program.

Costs That Require Specific Approval

The following types of costs require specific approval and must be listed in this part:

- Professional consulting services, such as project management, evaluation services, professional development, curriculum development, or technical assistance
- Contracted publication and printing costs

Note: Specific approval is required only for nonprofit organizations, which include charter schools operated or chartered by nonprofit organizations.

- All audit costs except those associated with the OMB Circular A-133 Single Audit

Written Agreements and Contracts

You must maintain a contract administration system to ensure that contractors or consultants perform in accordance with the terms, conditions, and specifications of their contracts and written agreements.

The dates for services to be performed in contracts and other written agreements must be within the grant period. Multi-year contracts are not appropriate for discretionary grants. TEA is not liable for reimbursing grantees for a contract beyond the current grant period.

The contract administration system must be in compliance with requirements stated in [34 CFR 80.36, Procurement](#), including the following:

- Maintain a copy of the signed contract, agreement, or purchase order for services to be performed and the rationale or procedure for selecting a particular contractor.
- For contracts or agreements in excess of \$10,000, describe conditions under which the contract may be terminated for cause or for convenience and include the basis for settlement.
- If the contract is to develop materials, concepts, or products, ensure that the agreement or contract contains provisions that protect and retain ownership of such materials, concepts, or products by TEA, the State of Texas, and the Federal government as applicable (including copyright, patent, trademark).
- Maintain evidence that awards were made only to contractors or consultants possessing the ability to perform successfully under the terms and conditions of the proposed contract or procurement.
- Select consultants based on demonstrated competence, qualifications, experience, and reasonableness of costs. Consideration must be given to contractor integrity, compliance with public policy, past performance, and financial and technical resources.
- Contract only with persons not employed by your organization.
- Do not participate in selection or award of a contract if a conflict of interest is involved.
- Maintain records on services performed—date of service, purpose of service—ensuring that services are consistent and satisfactory as described in the signed contract or purchase order.
- Make payment only after the service is performed and not before, according to state and Federal law. Advance payment to contractors is prohibited.

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.

Pre-Award Costs

Pre-award costs are not allowed for this grant.

Specific Instructions

6212 Audit Costs

1. Type the amount requested for audit costs *other than those required under and conducted in accordance with OMB Circular A-133* in the appropriate field. Costs in conjunction with conducting the A-133 Single Audit do not require specific approval and do not need to be listed here. Costs connected with conducting the required annual audit and report of financial activities are not allowable from grant funds.
2. Type the amount or audit costs requested for administrative costs.

Federally Funded Grants

- Audit fees and expenses are allowed only when the audit is required under and conducted in accordance with [Office of Management and Budget \(OMB\) Circular A-133, Audits](#). These costs do not require specific approval.
- Audit fees and expenses may not be charged as direct costs when such audit services costs are part of your organization's indirect cost pool.

6219 Professional and Consulting Services

1. Type in the total payment to be made to consultants or subgrantees.
2. Type in the amount for administrative costs.

Professional and consulting services 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. Such specialized services that are usually considered to be temporary or short-term in nature are paid on a fee basis. Services are normally in areas that supplement the expertise of your organization. They generally include project management, evaluation services, professional development, curriculum development, or technical assistance. This category includes all related expenditures covered by a professional services contract. It does not include accounting or bookkeeping services, media services, or data management, which are contracted services that do not require specific approval.

The same cost principles for allowable costs apply to all professional or consulting services contractors and subgrantees. Remember that your budget is subject to negotiation.

Budgeted consultant travel costs must be reasonable. Consultant costs must also include costs for any materials provided by consultants. Professional services funded from payments to SSA member districts are budgeted here.

Unallowable Costs

This cost category does not include supplies purchased under a purchasing agreement with an ESC. Charge those supplies to the appropriate cost category on 6300 Supplies and Materials.

6269 Rental or Lease of Buildings, Space in Buildings

This cost category allows you to budget rentals and leases for building space not owned by your organization. This category includes but is not limited to the rental or lease of the following:

- Buildings

- Space in buildings

Follow these instructions to complete the section:

1. Type in the amount budgeted for rental or lease.
2. Type in the amount for administrative costs.

Note: Perkins funds may not be spent on rental or lease of land.

6299 Contracted Publication and Printing Costs

Specific approval for these costs is only required for nonprofit organizations, including charter schools operated or chartered by a nonprofit organization. All other organizations should include these costs in 62XX.

1. Type in the amount budgeted for contracted publication and printing costs.
2. Type in the amount for administrative costs.

6220 Postsecondary CTE tuition for students

1. Type in the amount budgeted for postsecondary Career and Technical Education (CTE) tuition for students, for tuition in excess of the amount of ADA funds generated by those students.
2. Type in the amount for administrative costs.

Subtotal

Remaining 6200—Professional and Contracted Services That Do Not Require Specific Approval

1. Type any remaining costs to be budgeted to 6200 that do not require specific approval.
2. Type any remaining costs to be budgeted for administration costs.

Total Professional and Contracted Services Costs

This row totals the costs professional and contracted services and total administrative costs. The totals also appear in class/object code 6200 in **Part 2** of this form.

Part 6: 6300—Supplies and Materials Costs

Use this support schedule to request only those items requiring specific approval. *New items requiring specific approval* are any costs associated with operating an advisory council or committee. This requirement may include supplies and materials such as printing and postage.

Unallowable Costs

Out-of-state training is not allowed where the same type and quality of training is available in-state.

Gifts or anything that can be construed as a gift, souvenirs, memorabilia, promotional items (such as t-shirts, caps, tote bags, imprinted pens) are not allowable.

Door prizes are not allowable incentives or awards. (Movie tickets, gift certificates, amusement park passes and so on may be donated by others, but not purchased with grant funds.) See Guidelines Related to Specific Costs for information on incentives to participate and awards for recognition.

Purchase of food, meals, snacks, beverages, and refreshments are not allowable.

Membership dues in organizations substantially engaged in lobbying or in social organizations are not allowable costs.

Refer to the Perkins Program Guidelines for additional unallowable uses of funds for supplies and materials.

Pre-Award Costs

Pre-award costs are not allowed for this grant.

Specific Instructions

6399 Supplies and Materials Associated with Advisory Council or Committee

1. Type the costs associated with operating an advisory council or committee.
2. Type any administrative costs associated with operating an advisory council or committee.

Subtotal

Remaining 6300—Supplies and Materials That Do Not Require Specific Approval

Complete this section by doing the following:

1. Type in the amount budgeted for other supplies and materials that do not require specific approval.
2. Type any administrative costs from other supplies and materials costs.

Total Supplies and Materials Costs

This row shows the total Perkins-funded costs and total administrative costs. The totals also appear in class/object code 6300 in Part 2 of this form.

Costs That Do Not Require Specific Approval

Typical items that are required to operate the program on a daily basis do not require specific approval and are not to be listed on this support schedule. Typical items include but are not limited to the following:

- Instructional supplies and materials
- Supplies and materials for training or staff development
- Testing materials
- Media materials
- Computer software

- Instructional equipment—noncapitalized (including noncapitalized equipment, furniture, library books, and media)

Part 7: 6400—Other Operating Costs

Use this part to request other operating costs requiring specific approval. Items requested must be allowed under the authorizing program statutes, regulations, and rules.

Items requiring specific approval are preprinted for your convenience. Request funds only as necessary to fulfill your project objectives.

Unallowable Costs

Out-of-state training is not allowed where the same type and quality of training is available in-state.

Gifts or anything that can be construed as a gift, souvenirs, memorabilia, promotional items (such as t-shirts, caps, tote bags, imprinted pens) are not allowable costs.

Door prizes are not allowable costs. (Movie tickets, gift certificates, amusement park passes and so on may be donated by others, but not purchased with grant funds.)

Food, meals, snacks, beverages, and refreshments are not allowable costs.

Membership dues in organizations substantially engaged in lobbying or in social organizations are not allowable costs.

Membership dues for individual staff are not an allowable expense.

Costs That Require Specific Approval

Costs that require specific approval and must be listed in this section are as follows:

- Stipends for nonemployees, including registration fees for conferences (specific approval required only for nonprofit organizations)
- Travel for nonemployees (specific approval required only for nonprofit organizations; a field trip that takes place in a single day is not considered travel)
- Travel for an executive director, superintendents, or board members, including registration fees
- Travel or other expenses for an Advisory Council or committee
- Membership dues in civic or community organizations (not allowable for colleges and universities)

Note: Nonprofit organizations include charter schools operated or chartered by a nonprofit organization.

Pre-Award Costs

Pre-award costs are not allowed for this grant.

Specific Instructions

6411/6419 Travel Costs for the Superintendent or Local School Board Members

Use this line to request travel costs for executives, directors, superintendents, or board members. Specific approval is required for all travel by executives. Such travel must be specifically related to and necessary for carrying out the objectives of the grant program. See Guidelines Related to Specific Costs for more information about allowable and unallowable costs.

1. Type the amount requested for travel for superintendents or local school board members.
2. Type any administrative travel costs for superintendents or local school board members.

Unallowable Travel Costs

Costs that are not allowed are the following:

- Alcoholic beverages
- Tips or gratuities
- Entertainment, recreation, or social events
- Travel allowances
- 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
- Those related to training or technical assistance on grant writing or obtaining funds
- Costs for student travel to career and technical student organization events
- Field trips that do not meet the guidelines established by TEA (see Guidelines Related to Specific Costs for guidance related to field trips)

6413 Stipends for Nonemployees

Use this line to request stipends (sometimes referred to as “participant costs”) paid to individuals not employed by the grantee organization for allowances related to or for participation in grant activities. Specific approval is required only for nonprofit organizations, including charter schools operated or chartered by a nonprofit organization. Identify the purpose of nonemployee stipends.

1. Type the amount requested for stipends for nonemployees.
2. Type the administrative costs associated with stipends for nonemployees.

6429 Actual Losses Which Could Have Been Covered by Permissible Insurance

These costs are not allowable from Perkins funds.

6490 Indemnification

These costs are not allowable from Perkins funds.

6499 Publication and Printing Costs

Use this line for publication and printing costs to be reimbursed. Specific approval is required only for nonprofit organizations, including charter schools operated or chartered by a nonprofit organization.

Advertisements are allowed for compliance with Office of Civil Rights requirements.

1. Type the amount requested for reimbursed publication and printing costs.
2. Type any administrative costs associated with publication and printing costs.

6417/6418 Staff development travel and/or training costs for CTE teachers and/or other LEA staff

1. Type the amount requested for staff development or training costs for CTE teachers or other LEA staff. See Unallowable Travel Costs to make sure you are only budgeted allowable costs.
2. Type any administrative costs associated with staff development or training costs for CTE teachers or other LEA staff.

Subtotal**Remaining 6400—Other Operating Costs That Do Not Require Specific Approval**

1. Type the amount requested for all other allowable operating costs that do not require specific approval.
2. Type any administrative costs associated with other allowable operating costs.

Total Other Operating Costs

This row totals the total costs for each funding source. The totals also appear in class/object code 6400 in **Part 2** of this form.

Costs That Do Not Require Specific Approval

Typical items that are required to operate the program on a daily basis do not require specific approval and are not to be listed in the class/object codes. Typical items include but are not limited to the following:

- Insurance required for or pursuant to the grant award in accordance with LEA policy and sound business practices
- A contribution to a reserve for employee self-insurance programs (subject to specific provisions outlined in [OMB Circulars A-87, A-122, or A-21](#), respectively)
- Conference registration fees
- Membership dues in business, professional or technical organizations (membership must be in the name of the LEA or open enrollment charter school, not in the name of an individual)
- Newspaper advertisements for Office of Civil Rights compliance

Part 8: 6500—Debt Service

Use this section to describe properties for which you wish to budget debt service. Lease-purchase of a facility is allowed only for unique special education instruction or instructionally-related activities.

Pre-Award Costs

Pre-award costs are not allowed for this grant.

Specific Instructions

For each property, complete the fields as described in the following sections.

1. Type a description for each item to be included.
2. Provide the campus number for the campus upon which the property exists.
3. Type in the overall property value.
4. Type the beginning and ending dates (MM/DD/YYYY) of the lease-purchase contract. The dates must cover at least two contract years.

6512 Capital Lease-Principal

Type the total principal cost as reflected on the contract for all years (life of the contract) for each item to be lease-purchased. Do not include interest.

6522 Capital Lease-Interest

Type the total interest for capital lease.

6523 Interest on Debt

Type the interest on the debt.

Subtotal

This row subtotals the amounts to be spent from Perkins funds on capital lease principal, interest, and interest on debt. The totals also appear in class/object code 6500 in Part 2 of this form.

W3sPart 9: Itemized 6600/15XX Capital Outlay—Capitalized Assets Regardless of Unit Cost

Note: If funds are being requested in this class/object code (6600), the applicant must complete this schedule and submit it with the application. The total amount requested for this part must match the corresponding amount listed for this class/object code in the Budget Summary.

Use this part to request allowable capital outlay costs. **All capital outlay, regardless of the dollar amount, requires specific approval.** Items requested must be allowable expenditures under the authorizing program statutes, regulations, rules, and guidelines. You must carefully evaluate the current use of capital outlay to determine the most cost-effective utilization. Funds may be used to purchase capital outlay only when necessary to accomplish project objectives.

Note: Capital outlay includes equipment. Equipment is defined as an article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost that equals the lesser of the following:

- The capitalization level established by the applicant for financial statement purposes
- \$5,000

Capital outlay will include the purchase of single items that meet either of these categories.

Note: Acquisition cost means the cost of the equipment to put it in place, which means the net invoice price, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired.

Note: The maximum capitalization level that an applicant may use is \$5,000 per unit/item.

Use this part to request items that meet the definition of Capital Outlay, such as the following:

- Capitalized equipment, including telephone systems, intercommunication and telecommunications systems, mainframes and minicomputers, high-capacity copy machines
- Capitalized furniture
- Capitalized vehicles
- Capitalized software, including site licenses (that have more than one year of useful life), single-user software, and multi-user software
- Library books and library media that meet the capitalization criteria of the grantee or that have a per unit value equal to or greater than \$5,000, whichever is less. For library books and media to be capitalized, they must meet the one year or more useful life criteria and must be cataloged and controlled by the library.

All capital outlay requires specific approval from TEA. This requirement includes an individual item costing less than \$5,000 that is capitalized according to local policy, as well as an individual item costing \$5,000 or more.

All standard budget items are preprinted for your convenience. Request funds only for those items that are necessary to fulfill your project objectives.

List each item that meets the capital outlay criteria. Remember to include shipping and handling costs. Items will not be approved without a description and purpose of each item in accomplishing project objectives.

Itemize the purchase of permanent buildings, construction, or improvement costs under 6629 if allowed under the grant. If portable buildings are an allowable purchase under the grant, they would be requested and budgeted in 6600. However, ground leveling, site preparation, foundation, plumbing, wiring, and sidewalk for a portable building are considered construction costs and are not allowable unless construction costs are allowable under the grant. If allowable, these construction costs would be budgeted in 6629.

Budget noncapitalized equipment, furniture, and library books and media on **6300 Supplies and Materials**.

Unallowable Costs

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 not allowable to be charged to the grant. If the purchase of a portable building is allowed under the grant program and is requested, budget the portable building under 6600 Capital Outlay.

Compliance

Your organization must comply with requirements for competitive bidding outlined in [Texas Education Code, Section 44.031](#) and its implementing rules, where applicable.

Description of Improvements Which Materially Increases the Value or Useful Life of Equipment or Other Capital

For this item, do the following:

5. Type the description and purpose for capital expenditures for improvements to land, buildings, or equipment.
6. Type the amount for these improvements.

Equipment and Other Capital Outlay—Regardless of Unit Cost

1. Check the box if capital outlay is used for schoolwide programs not coded in 8911.
2. Type the amount of equipment and other capital outlay used for schoolwide programs to be paid with Perkins funds.
3. Type the description of items of equipment or other capital outlay, regardless of unit cost.
4. Type the PEIMS code for the item.
5. Type the quantity as follows:
 - Type the **exact** quantity for individual items or a set of items that operates as a single unit costing \$5,000 or more.
 - Type the **estimated** quantity for individual items or a set of items that operates as a single unit costing less than \$5,000.
6. Type the amount to be paid using Perkins funds.
7. To add additional lines, click the **Add Item** button at the bottom of Part 9.

Subtotal

Total Capital Outlay Costs

The total costs budgeted for capital outlay are summed here.

Describe how capital outlay requested will be used to accomplish the objectives of the project if different from the general uses described in the instructions.

Type a description of how the capital outlay requested will be used to accomplish the objectives of the project if they are different from the general uses described in the instructions.

Part 10: LEA Practices Which Meet the Nine Perkins Funding Requirements

Part 10 lists the LEA practices that meet the nine Perkins funding requirements. At least one check box in each requirement must be checked, with a budget listed in the corresponding line in **Part 11: Required Uses of Funding**.

1. For each of the nine requirements, check at least one box indicating the practices being followed by your organization.
2. If your organization is following another practice related to the requirement, check the **Other** box and type a description in the field.
3. Make sure a budget for the practices is listed on the corresponding line (indicated in the requirement description above the checkboxes) in Part 11.

Part 11: Required Uses of Funds

Perkins grants require that funds be used for the purposes listed in Part 11. Use this section to show how you will apportion funds among programs that fulfill the required uses. If you claimed indirect costs in Part 2, the amount of indirect costs that you entered in Part 2 automatically fills in the **Indirect Cost** field in Part 11. You are required to show state and local fund amounts only if you are unable to meet all nine funding requirements with Perkins funds.

Use of Perkins Funds: Program Costs Plus Administrative Costs

For each required use listed, type the amount of funds to be allotted to each category of costs from the Perkins funds. The amounts total and the indirect costs entered in Part 2 are added automatically. Then the percentages are computed to show percentage of funds allotted to each required use.

Subtotal

This row subtotals the amounts to be spent from Perkins funds.

Use of State and Local Funds

Complete this section if you are unable to meet all nine Perkins funding requirements with Perkins funds.

For each required use listed, type in the amount of funds to be allotted to each category of costs from the State and local funds. The amounts will total and the percentages appear to show the amounts and percentages allotted to each required use.

Subtotal

This row subtotals the amounts to be spent from state and local funds.

Grand Total

This row totals the subtotals from Required Use of Perkins Funds and Use of State and Local Funds.

Part 12: Pooling of Perkins Funds

SSAs are not eligible to pool Perkins funds.

1. Check the box to indicate whether you are pooling Perkins funds. If you are not pooling funds, the rest of the part is disabled.
2. Type the amount of funds to be pooled.
3. List the county-district numbers for the LEAs that are pooling funds.

If Two or More Districts Will Pool Perkins Funds, Indicate Allowable Activities to Be Funded

Check all boxes that indicate the allowable activities to be funded with pooled funds.

Reference Material

- [Guidelines Related to Specific Costs](#)
- [Financial Accountability System Resource Guide](#)