General and Fiscal Guidelines

Applicable to grants published on or after May 1, 2020

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INTRODUCTION TO THE REQUEST FOR APPLICATION

The request for application (RFA) consists of the General and Fiscal Guidelines, the individual grant program's program guidelines, the grant application (known as the Standard Application System [SAS]), and instructions for completing the SAS. For applicants selected for funding, all guidelines and instructions will be incorporated by reference into any Notice of Grant Award (NOGA) issued by the Texas Education Agency (TEA).

> **NOTE:** TEA may update these guidelines as additional information on the Education Department General Administrative Regulations (EDGAR) becomes available or periodically issue written guidelines concerning the management of grants approved in this application or clarifying previously issued grant guidelines. Any guidance issued after the initial approval of the application is to be incorporated with these instructions. (See the Errata Notices section.)

TEA, as the pass-through entity[1] (and a non-federal entity), is the grantee[2] from the U.S. Department of Education (USDE) and TEA awards subgrants to non-federal entities[3] such as local educational agencies (LEAs), including school districts, charter schools, and education service centers (ESCs), and to a lesser degree institutions of higher education (IHEs), and nonprofit organizations (NPOs) who are the agency's subgrantees[4]. These guidelines apply to all subgrantees of TEA, regardless of whether referenced herein as subgrantee or grantee. For purposes of this document, TEA may use the terms grantee and subgrantee synonymously for its subrecipients.

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1 Pass-through entity is defined as a non-Federal entity that provides a subaward to a subrecipient to carry out part of a federal program. (2 CFR 200.74)

2 Grantee is defined as the legal entity to which a grant is awarded and that is accountable to the federal government for the use of the funds provided. The term "grantee" does not include any secondary recipients, such as subgrantees and contractors that may receive funds from a grantee. (34 CFR 77)

3 Non-federal entity is defined as a state, local government, Indian tribe, institution of higher education, or nonprofit organization that carries out a federal award as a recipient or subrecipient. (2 CFR 200.69)

4 Subgrantee is defined by TEA to be the same as a subrecipient which is defined as a non-federal entity that receives a subaward from a pass-through entity to carry out part of a federal program; but does not include an individual that is a beneficiary of such program. (2 CFR 200.93) Subgrantee is defined in 34 CFR 77 as the legal entity to which a subgrant is awarded and that is accountable to the grantee for the use of the funds provided.

Organization of These Guidelines

These guidelines include information applicable to all types of TEA grants, as follows.

Noncompetitive Grants, Grant Requirements and Processes

This information is provided in the main body of the guidelines.

Competitive Grants

Guidance specific to competitive grants is provided in Appendix 1.

Letter of Interest (LOI) Grants

Guidance specific to informal, competitive LOIs is provided in Appendix 2.

Parts of the Request for Application

The request for application (RFA) consists of the following parts.

General and Fiscal Guidelines

The General and Fiscal Guidelines apply to all grants administered by TEA. This part of the RFA describes the application process and submission procedures and provides general directions regarding the process to be used for distribution and management of grant funds. Always refer to the Program Guidelines for detailed information about the specific grant program. The Program Guidelines will, as necessary, refer the applicant back to the General and Fiscal Guidelines for general information.

Program Guidelines

The Program Guidelines provide information about the specific program, including the purpose of the grant, eligibility criteria, program description, statutory and TEA program requirements, any specific application review criteria, and critical dates. The Program Guidelines also contain specific information regarding the allowability of certain types of costs as related to specific

grant program. Items requiring specific approval through the grant application, or a required attachment to the application, must be included in the application and approved. Expending funds for these items without including them in the grant application and receiving approval is unallowable and will result in questioned costs.

Program-specific information in the Program Guidelines supplements the more general and comprehensive grant-related information in the General and Fiscal Guidelines. Applicants are reminded to refer to the General and Fiscal Guidelines for guidance as they complete and prepare to submit their applications.

Grant Application (SAS) and Instructions

The grant application, known as the Standard Application System (SAS), either in PDF format or in eGrants, contains the sections or schedules that must be completed for the applicant to be eligible for grant funding. Included are schedules or sections requiring input in response to the requirements defined for the program as well as budget schedules, provisions and assurances associated with the grant program, and the instructions for each section or schedule. Throughout this document, PDF grant application refers to all non-eGrants applications.

These instructions contain general and comprehensive information necessary to complete the application sections or schedules. Additional detailed information is also provided, as applicable, that is specific to the particular grant program. Refer to the SAS for more information.

TEA has limited resources to provide technical assistance to those who experience difficulty accessing and using these schedules. Any eligible entity submitting a PDF grant application is responsible for ensuring that the schedules maintain TEA's format.

Provisions and Assurances

All the legal provisions and assurances that apply to the grant program are located in the PDF grant application and on Schedule CS7000—Provision, Assurances, and Certifications for eGrants. With its signature on page 1 of the PDF grant application or by certifying and submitting the eGrants application, the subgrantee indicates that the authorized official (or designee) has read and agrees to comply with all the terms outlined on the applicable schedules.

The following sections describe the various provisions and assurances and how they apply to grant applicants.

General Provisions and Assurances

This set of provisions and assurances applies to all applicants for all grants that TEA administers. It includes a summary of the terms of the subaward between TEA and the subgrantee and a list that includes but is not limited to the federal rules, laws, and regulations that apply to all state and federal programs.

Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion—Lower Tier Covered Transactions

This set of provisions and assurances applies to all applicants for federally funded programs.

Per the Code of Federal Regulations, 2 CFR 200.212, “Non-federal entities and contractors are subject to the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR part 180. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities.”

With its signature on page 1 of the PDF grant application or by certifying and submitting the eGrants application, the applicant certifies that neither it nor its authorized officials are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

Lobbying Certification

This set of provisions and assurances applies to federal grants in excess of $100,000 or in which a subcontract to another organization exceeds $100,000.

With its signature on page 1 of the PDF grant application or by certifying and submitting the eGrants application, the applicant certifies that no federally appropriated funds have been used to lobby Congress in connection with the making of any federal grant and the extension, continuation, renewal, amendment, or modification of any federal grant.

No Child Left Behind Act of 2001 Provisions and Assurances

This set of provisions and assurances applies to all applicants for federally funded grants funded under the Elementary and Secondary Education Act of 1965, as amended by P.L. 107-110, No Child Left Behind Act of 2001 (NCLB).

Every Student Succeeds Act Provisions and Assurances

This set of provisions and assurances applies to all applicants for federally funded grants under the Every Student Succeeds Act (ESSA).

Program-Specific Provisions and Assurances

With its signature on page 1 of the PDF grant application, or by certifying and submitting the eGrants application, the authorized official indicates that the subgrantee has read and will comply with these requirements. Please review each of these assurances carefully as you will be required to implement them and document their implementation. These activities may be monitored or audited.

Terms of Subaward

In addition to the terms specified in the provisions and assurances, the following also apply to all subgrantees.

Preparation and Submittal of Application

TEA will not be liable for any costs incurred in the preparation and submittal of the application.

Per 2 CFR 200.460 proposal costs are the costs of preparing bids, proposals, or applications on potential federal and non-federal awards or projects, including the development of data necessary to support the non-federal entity's bids or proposals. Proposal costs should be treated as indirect costs and allocated currently to all activities of the non-federal entity. It is unallowable to charge the application development (proposal) costs to a prior year grant award.

The applicant shall furnish such additional information as TEA may reasonably require.

Scope of Work

The applicant agrees to complete the scope of work described in the approved application at the subawarded funding amount.

Rejection and Negotiation

TEA reserves the right to reject any and all applications and to negotiate portions thereof.

TEA will negotiate applications using a differentiated review process based on the fiscal risk status of the subgrantee. The risk status is determined by the agency’s annual federal fiscal risk assessment process.

Subgrantees deemed medium or low risk for the fiscal year in which the grant is released will receive a less intensive application review and negotiation process. This differentiated review process will allow NOGAs to be issued more quickly to medium- and low-risk subgrantees.

Selection of Applications

TEA reserves the right to select the applications containing the best offer considering the outcomes desired.

Awarding of Funds

Project funding is based on appropriation by the authorized governmental body and on general budget approval by the commissioner of education, the state legislature, or US Congress, as applicable. It should be clearly understood that the applicant will not necessarily receive the amount requested if a lesser amount is determined to be appropriate.

Right to Reduce Funding

TEA reserves the right to reduce funding if the initial funding projections must be adjusted based upon the number of actual applicants or other factors. Should additional funds become available for distribution, TEA will decide how to distribute the funds based on statutory requirements at the direction of the commissioner of education or his or her designee.

Commencement and Performance of Project Activities

The subgrantee must commence and perform project activities according to established timelines. Failure to do so may result in reduction and reallocation of funds.

Competitive Bid Process

Applicants must comply with competitive bidding requirements outlined in the Texas Education Code, Section 44.031, and its implementing rules, where applicable.

Right to Revoke

The commissioner of education, or his or her designee, reserves the right to revoke a subgrant award for reasons including but not limited to the following:

- Noncompliance with application's provisions and assurances
- Failure to implement the grant program or to use grant funds and any required cost share or matching funds in accordance with the RFA, general fiscal guidelines, program rules and guidelines, the authorizing program statute, or the application approved by TEA
- Lack of program success as evidenced by progress reports and program data
- Failure to provide program data to TEA or its subcontractors
- Failure to account for grant funds in accordance with standards for financial management, to retain proper documentation for grant expenditures, or to provide information to auditors and monitors

- Identification by TEA as high-risk during the grant period, in which case TEA reserves the right to begin procedures immediately to terminate the grant
- Failure to meet performance measures or standards as specified in the RFA
- Failure to provide accurate, timely, and complete information as required by TEA to evaluate the effectiveness of the grant program

The subgrantee may be reimbursed for allowable expenditures up through the date of notification of high-risk status.

For a state-funded grant, a decision by the commissioner of education to revoke the grant award is final and may not be appealed.

Continuation Funding

Project funding in subsequent project periods will be based on satisfactory progress on the prior year(s) program implementation, objectives and activities, general budget approval by the commissioner of education or his or her designee, and appropriations by the state legislature or the US Congress, if the grant is federally funded.

Review and Approval of Grant Products

If specified by TEA, the program design and all materials, program activities, and other products produced or adapted by the subgrantee must be reviewed and approved in draft form and in final form by TEA.

Sole Property of TEA

All materials, conceptions, and products created or conceived by the subgrantee, its employees, agents, consultants, or subcontractors arising out of this subgrant shall be the sole property of TEA. TEA, and/or the federal government for a federally funded project, shall hold the copyright and trademark to all materials, conceptions, and products created or conceived under this grant, unless the prior express written permission of the TEA Copyright Office is obtained. The subgrantee shall so bind all concerned through written agreements with subcontractors and consultants.

Applicant Assistance

Applicants are responsible for periodically checking the TEA Grant Opportunities page for any postings of frequently asked questions (FAQs), additional/clarifying information, or errata notices that pertain to this application.

TEA assumes no responsibility and holds all applicants solely responsible for obtaining all information, errata notices, updates to this guidelines document, or changes to applications.

Navigating the TEA Grant Opportunities Page

All materials related to the RFA are published on the web via the TEA Grant Opportunities page. To navigate to the page and locate materials there, go to the TEA Home Page, locate the Popular Applications ribbon at the top of the page, and select the Grant Opportunities link. Once on the TEA Grant Opportunities page, select the application name from the Application Name drop-down list or use other search features to narrow the list of applications to choose from.

Universal errata and other notices that apply to all grant applications are listed in the leftmost column of the TEA Grant Opportunities page.

The grant start and end dates are listed in the Funding Information section.

The RFA and associated materials, such as frequently asked questions (FAQ) or errata notices are posted in the Application and Support Information section.

Due dates for progress reports, expenditure reports, and the last amendment due date are listed in the Critical Events section.

The names, telephone numbers, and email addresses of TEA program and funding contacts are listed in the Contact Information section.

TEA Contacts

Email the Grants Administration Division at grants@tea.texas.gov with questions about the content of the General and Fiscal Guidelines.

Contact the TEA program manager listed in the Program Guidelines, Contact for Clarifying Information, with questions about any program-specific information contained in the Program Guidelines.

Errata Notices

If an error is found in an RFA or if there is a significant change, TEA will publish a correction through an errata notice. Errata notices are posted to the TEA Grant Opportunities page and also may be publicized through email bulletins. It is the applicant's responsibility to periodically check the TEA Grant Opportunities page for any posting of errata notices.

GovDelivery Bulletins

The Department of Grant Compliance and Administration publicizes a variety of grants-related information via email through the GovDelivery system, including the following:

- RFA announcements
- Summaries of errata notices
- Grant deadlines
- Grant information

To subscribe for grants-related bulletins, go to the Sign Up for Updates page of the TEA website and submit your request. On the Quick Subscribe page, select the Grants (formerly GAFPC) topic from the Finance & Grants category.

Shared Services Arrangements (SSAs)

A shared services arrangement (SSA) is an agreement between two or more school districts, open-enrollment charter schools, and/or ESCs. The SSA provides services for all of the entities involved. Such entities may desire to enter into an SSA for the performance and administration of a program in order to maximize the use of funds and services to be provided. In every SSA, a fiscal agent is designated to be ultimately responsible for compliance with grant requirements and conducting administrative duties. An eligible entity, as defined in the Program Guidelines, Shared Services Arrangement, must serve as the fiscal agent for an SSA.

Excluded Entities

All entities other than school districts, open-enrollment charter schools, and ESCs, are prohibited from being part of an SSA. The following is a non-exhaustive list of entities that are excluded from providing services through an SSA:

- Colleges/universities
- Community-based organizations
- Councils of governments
- For-profit organizations
- Nonprofit organizations
- Other local governments, such as cities and counties

Entities prohibited from being part of an SSA may contract with the SSA's fiscal agent to provide services or enter into a collaborative partnership with the fiscal agent to conduct grant activities. Such contractors or partners will not be members of the SSA.

Fiscal Agent Responsibility

The designated fiscal agent of an SSA is the applicant that completes and submits a composite application with input from and on behalf of its members.

The fiscal agent is responsible for the following:

- Ensuring that funds are used in accordance with grant provisions
- Maintaining all SSA financial and personnel records required for TEA, in accordance with Financial Accounting and Reporting (FAR)

The fiscal agent may also be responsible for financial consequences concerning the following:

- SSA instances of noncompliance

- Any SSA member unable to repay respective portion of misappropriated funds in question

Written SSA Agreement

When two or more school districts, open-enrollment charter schools, or ESCs enter into an SSA, a formal written agreement is required that defines the composite entity and describes the responsibilities of its fiscal agent and of each SSA member. The responsibility for compliance belongs to the non-federal entity (fiscal agent) receiving the subgrant award. The SSA agreement must define the roles and responsibilities of the fiscal agent and the member districts, including the responsibility for the policies and procedures. At a minimum, this agreement contains the following information.

- Legal requirements:
    - Organization of the shared services arrangement
    - Ownership of assets
    - Policies and procedures addressing disposition of assets if the SSA is terminated by one or all members
    - Policies and procedures addressing carryover funds if the SSA is terminated by one or all members
    - Liabilities, including legal fees due to complaint, grievance, litigation, refund from onsite monitoring, audit, etc.
    - Basis for allocation of costs of the fiscal agent
    - Uncontrollable costs that impact the fiscal agent
- Responsibilities of the designated fiscal agent:
    - Services to be provided to SSA members
    - Employment of personnel
    - Budgeting and accounting
    - Reporting
- Responsibilities of each SSA member:
    - Employment of personnel
    - Budgeting and accounting
    - Reporting

The written agreement must be on file by the fiscal agent for audit and monitoring purposes.

eGrants SSA Application Designation and Certification Form (ADC)

TEA has developed an “Applicant Designation and Certification” (ADC) form for use with most eGrants applications that permit an SSA. All applicants applying for a grant in eGrants that permits an SSA are required to complete the “Applicant Designation and Certification” form and submit it through eGrants before being allowed access to the automated application. On this form, you must indicate how you will apply for that grant: as an independent project, as the fiscal agent for an SSA (Consortium), as a member of an SSA, or not apply at all. A response to this

form is required to set up your application in the eGrants system. The response eliminates the required signature of each member on the Shared Services Arrangement (Certification for Consortium Projects) schedule in the application and the need to complete a Notice of Intent to Apply. The response to this form is binding for the entire project period. You are advised to complete the process of obtaining local board approval, as appropriate, before submitting this form.

If your organization is a prospective applicant applying for a grant permitting an SSA, please submit the electronic ADC form by the date specified in the Program Guidelines, Grant Timeline.

APPLICATION COMPLETION AND SUBMISSION

This section describes the process of completing and submitting the application.

Coordination with the Business Office

To ensure compliance with required accounting procedures, all applicants are strongly encouraged to consult with their business office about assignment of budgeted items to the proper class/object codes before submitting the application. Advance coordination with the business office will expedite negotiation and processing of the application and may assist in avoiding audit exceptions for the subgrantee.

Supplement, Not Supplant

Unless otherwise specified in the Program Guidelines, Supplement, Not Supplant, funds for this program must be used to supplement (increase the level of services) and not supplant (replace) funds from federal, state, and local funds for similar activities. Any program activity required by state law, State Board of Education (SBOE) rules, or local board policy may not be paid for with these funds. State or local funds may not be decreased or diverted for other uses merely because of the availability of these funds. Subgrantees must maintain documentation that clearly demonstrates the supplementary nature of these funds.

Requirements Applicable to All Applications

The following sections describe requirements that apply to all TEA grant applications.

Statutory Requirements

All statutory requirements defined in an application must be addressed before it will be considered for funding.

TEA Program Requirements

Applicants must address all TEA program requirements to be eligible for grant funding. If any TEA program requirements are not addressed, the application will need to be corrected during negotiations before TEA can award the grant to the applicant.

Fiscal-Related Documentation Required to Be on File

Grant applications have been streamlined so that they only require information that is necessary to award the grant funds. Subgrantees should maintain all fiscal and programmatic documentation locally and must be able to provide the documentation to TEA upon request.

Refer to Submission of Audit Reports for Federal Discretionary Grants for a description of the audit submission requirement as it applies to different applicant types.

The following types of applicants are required to have the listed documentation on file with TEA.

Local Educational Agencies: ISDs, Open-Enrollment Charter Schools, and ESCs

Independent school districts (ISDs), open-enrollment charter schools, and regional education service centers (ESCs) must have on file with the TEA Financial Compliance Division the annual financial report (audit report, including any applicable federal single audit) for the immediate prior fiscal year and for all previous fiscal years. If the audit report for the immediate prior fiscal year is past due (i.e., delinquent) as of the deadline date for submitting applications in response to this RFA, the application (state or federal discretionary) may be disqualified and not be considered for funding. Any decision to disqualify an application for this reason is final and may not be appealed.

Other applicants are required to attach their audit report to the application. See the Required Fiscal-Related Attachments section for details.

Open-Enrollment Charter Schools

Open-enrollment charter schools operated by a nonprofit organization must have the proper proof of nonprofit status on file with the TEA Charter School Administration Division.

Other nonprofit applicants are required to attach proof of their nonprofit status to the application. See the Required Fiscal-Related Documents section for details.

Nonprofit Organizations, Excluding ISDs and Open-Enrollment Charter Schools

See the Fiscal-Related Documentation Required to Be on File section for the requirement that applies to open-enrollment charter schools sponsored by a nonprofit organization.

Nonprofit organizations, excluding ISDs and open-enrollment charter schools, must submit proof of nonprofit status as a required fiscal-related attachment. The following documents can be used:

- Copy of a letter from the Internal Revenue Service recognizing that contributions to the organization are tax deductible under Section 501(c)(3) of the Internal Revenue Code
- Statement from a state taxing body or the state attorney general certifying that the organization is a nonprofit organization operating within the state and that no part of its net earnings may lawfully benefit any private shareholder or individual
- Certified copy of the applicant's certificate of incorporation or similar document if it clearly establishes the nonprofit status of the applicant
- Any item described above if that item applies to a state or national parent organization, together with a statement by the parent organization that the applicant is a local nonprofit affiliate

Any of the above documentation submitted must be in the name of the applicant to be eligible for consideration. A grant will not be awarded to a nonprofit organization that cannot demonstrate nonprofit status at the time of application submittal.

Institutions of Higher Education, For-Profit Entities, Governmental Entities

No fiscal-related attachments are required to be submitted with the grant application.

Required Program-Related Attachments

In addition to any required fiscal-related attachments, TEA may require program-related documentation to be submitted with the application.

See the Program Guidelines, Required Program-Related Attachments, for a description of any program-related documentation required to be submitted with the application for the grant program.

Application Submission Requirements: Noncompetitive Grants

The following sections describe the procedures related to proper submission of noncompetitive eGrants and PDF grant applications, including formula grants.

TEA will consider requests for extensions of application deadlines for formula grants and noncompetitive discretionary grants on a case-by-case basis.

eGrants

Applicants for an application available on the TEA web-based eGrants system must use eGrants to apply for the funds. You must provide all requested information according to the instructions.

All applications must include any requested attachments, in addition to contact information, program forms, budget forms and provisions, assurances and certifications.

The eGrants application must be certified and submitted by an individual who has been authorized by the applicant or subgrantee organization to enter the organization into a legally binding contractual agreement. The “Authorized Official” is the individual who will represent the applicant or subgrantee in the event any legal disputes arise. For school districts, this person is usually the superintendent. For education service centers (ESCs) and nonprofit organizations, this person is usually the executive director.

In establishing the time and date of receipt, the commissioner of education will rely solely on the date and time of the eGrants automated system. TEA accepts no responsibility for technical problems, delays, or insufficient capacity of technology that occurs at the applicant or originating organization. Applicants are strongly advised to submit their applications well before the deadline time and date in an effort to reduce or eliminate technical barriers.

PDF Application

Noncompetitive applications must be submitted via email to grantapplications@tea.texas.gov.

Responses must be typed into the PDF application form; handwritten entries will not be accepted.

It is the applicant’s responsibility to ensure that all parts of the application are complete before submitting the application to TEA. All sections should be completed, and all required attachments must be included with the application at the time it is submitted. Do not include unsolicited attachments.

TEA does not provide facilities, equipment, or supplies for applicants to use in completing an application.

TEA requires one copy of the PDF application for noncompetitive grants to be signed, with a digital ID or by hand, by a person authorized to bind the applicant to a contractual agreement.

See below for additional details:

- Applications submitted by ISDs must be signed by the superintendent of the ISD or a designee.
- Applications submitted by regional ESCs must be signed by the executive director or a designee.
- Applications submitted by open-enrollment charter schools must be signed by the chief operating officer of the school or a designee.
- Campuses and campus charter schools must apply through their ISD, and the application must be signed by the superintendent or a designee.
- Handwritten applications will not be accepted.

ELIGIBILITY FOR FUNDING

To qualify for grant funding, the applicant must meet all eligibility criteria defined in the Program Guidelines, Eligible Applicants. The following requirements also apply.

Submitting the Annual Audit

The applicant must be in compliance with submitting the annual audit to TEA, as described in the Submission of Audit Reports for Federal Discretionary Grants section.

High-Risk Subgrantee Identification

TEA reserves the right not to award a grant to a district or charter school that is identified by TEA as a high-risk subgrantee. Moreover, TEA reserves the right not to award a federal competitive grant (including a continuation grant that was originally competitive) to a subgrantee that is identified by TEA as high risk between the time the application is submitted to TEA and the time the application is approved and the NOGA is awarded. Refer to the High-Risk Status, Specific Conditions, and Remedies for Noncompliance section below.

Revoked or Closed Charters

An open-enrollment charter school shall become ineligible for grant funding (or, if a campus has applied for and received funding for this grant, may have its grant funding placed on hold) if the commissioner notifies the campus's charter holder of his intent to (1) revoke or non-renew such charter under TEC Chapter 12, or (2) close the campus under TEC Chapter 39, for any of the reasons set forth in either statutory provision. If the commissioner ultimately revokes or denies renewal of an open-enrollment charter of a charter holder or closes a campus that has been awarded funds under this grant program, grant funding shall be discontinued.

FINGERPRINTING REQUIREMENT

In 2007, the 80th Texas Legislature passed Senate Bill 9, which requires a variety of personnel having contact with students to be fingerprinted in order to make their criminal history records available to the State Board of Educator Certification (SBEC) and/or TEA, as appropriate.

Senate Bill 9 was codified in the Texas Education Code, Chapter 22, Subchapter C, Criminal History Records.

In terms of its subgrantees, TEA is subject to the same fingerprinting requirements that apply to the contractors of an LEA or SSA. Therefore, also per TEC 22.0834, the fingerprinting requirement applies to any person offered employment by any entity that contracts with TEA or receives grant funds administered by TEA (i.e., subgrantee).

As Applicable to Campus or LEA Employees

As described on the Fingerprinting and Registry for Schools page of the TEA website, the following personnel are required as a condition of employment to submit their fingerprints to either SBEC or TEA:

- Certified educators
- Substitute teachers
- Employees of an LEA or campus who hold a certification other than a teaching certificate
- Noncertified employees of an LEA or campus
- Employees of an SSA, if the employee's duties are performed on school property or at another location where students are regularly present

All the above-named employees of a campus or LEA should, before beginning employment, already be in compliance with the fingerprinting requirement, regardless of whether the campus or LEA is a recipient of grant funds administered by TEA.

As Applicable to LEA or SSA Contractors

In addition, per TEC 22.0834, any person who is offered employment by an entity that contracts with an LEA or SSA, or any subcontractor to that entity, is subject to the same fingerprinting requirement, as long as the person meets both the following conditions:

- The employee or applicant has or will have continuing duties related to the contracted services.
- The employee or applicant has, will have, or may potentially have direct contact with students on school property or at another location where students are regularly present

LEAs and SSAs should refer to the Instructions for Contractors document, posted under the Requirements for School District Contractors link on the Fingerprinting and Registry for Schools page of the TEA website, for information on how to comply with the fingerprinting requirement for contractors meeting the above two conditions.

All the above-referenced contractors of an LEA or SSA should, before beginning employment, already be in compliance with the fingerprinting requirement, regardless of whether the LEA or SSA is a recipient of grant funds administered by TEA.

As Applicable to Institution of Higher Education, Nonprofit, and For-Profit Subgrantees

Employees of institutions of higher education (IHEs), nonprofit, or for-profit organizations receiving grant funds from TEA are subject to the fingerprinting requirement, if those employees meet the two conditions described above.

With its signature on page 1 of the PDF grant application or by certifying and submitting the eGrants application, the subgrantee provides assurance to TEA that all its employees and subcontractors comply with the fingerprinting requirement for every individual who has continuing duties under the subcontract and/or who has, will have, or potentially may have direct contact with students on school property or at another location where students are regularly present.

The TEA subgrantee is responsible for the following:

- Contacting the Department of Public Safety to set up a secure site account to monitor progress
- Collecting personal information for all applicable employees and subcontractors
- Communicating instructions to those individuals on how fingerprints must be submitted, including information indicating that the individual is responsible for all associated fees
- Reviewing each individual's criminal history and ensuring that all employees of the subcontractors are eligible for employment under the grant
- Maintaining any applicable and necessary files related to criminal history background checks in case of audit/monitoring
- Providing assurance to the campus administrator that all applicable grant and subcontract employees have met the fingerprinting requirement, that they are eligible to be on campus, and that criminal histories are available on request to the campus administrator

For instructions, subgrantees should refer to the Instructions for Contractors document, posted under the Requirements for School District Contractors link on the Fingerprinting and Registry for Schools page of the TEA website. The subgrantee should contact the applicable TEA program division with any questions regarding the fingerprinting requirement.

The Fingerprinting Unit does not review the criminal history of these individuals or confirm their eligibility for employment under the grant.

Use of Funds

Funds expended through a grant program must be used for the purposes described in the following sections of the Program Guidelines:

- Purpose of Program
- Program Description
- Statutory Requirements

- TEA Program Requirements

Applicants may elect to use additional resources and other sources of financial support to help maximize the effectiveness of the program goals and objectives. So long as they do not violate the supplement, not supplant provision, applicants are strongly encouraged to coordinate their participation in federal, state, and local programs to eliminate duplication of resources.

Obligation of Funds

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. Funds may be requested only for those items that are reasonable and necessary for accomplishing the objectives of the program as defined in this RFA and for implementing activities as described.

In general, goods or services delivered near the end of the grant period may be viewed by TEA as not necessary to accomplish the objectives of the current grant program, but TEA will evaluate such expenditures on a case-by-case basis. Please note that a TEA monitor or an auditor may disallow those expenditures if the subgrantee is unable to do any of the following:

- Document the need for the expenditures.
- Demonstrate that program beneficiaries receive benefit from the late expenditures.
- Negate the appearance of “stockpiling” supplies or equipment.

The Subrecipient must receive the benefit and liquidate (record as an expenditure) all obligations incurred under the Subaward no later than the revised final expenditure report due date. An encumbrance cannot be considered an expenditure or accounts payable until the goods have been received and the services have been rendered.

Obligations that are liquidated and recognized as expenditures must meet the allowable cost principles in 2 CFR 200, Subpart E of EDGAR (as applicable) and program rules, regulations, and guidelines contained elsewhere. This provision applies to all grant programs, including state and federal, discretionary and formula.

An obligation occurs depending upon the expenditure, as described in the following table.

If the Obligation Is For—	The Obligation Is Made—
Acquisition of real or personal property	On the date the subgrantee makes a binding written commitment to acquire the property
Personal services by an employee of the subgrantee	When the services are performed
Personal services by a contractor who is not an employee of the subgrantee	On the date on which the subgrantee makes a binding written commitment to obtain services
Performance of work other than personal services	On the date on which the subgrantee makes a binding written commitment to obtain the work
Public utility services	When the subgrantee receives the services
Travel	When travel is taken
Rental of real or personal property	When the subgrantee uses the property
Pre-agreement costs properly approved under the cost principles in 2 CFR 200, Subpart E	On the first day of the subgrant performance period

Grant Period

All obligations and encumbrances of funds for this program must occur on or after the effective date of the application (the date the application was received or the first day of the grant availability period, whichever is later) unless pre-award costs are expressly permitted for the individual grant program and within the grant beginning and ending dates listed on the NOGA. The terms encumbrance, accounts payable, and expenditure, as with all other project accounting terms, are used here as defined in the Financial Accountability System Resource Guide (FASRG).

Reasonable and Necessary Costs

Funds requested must be only for those items that are reasonable and necessary for accomplishing the objectives of the program and for implementing activities as described in the application. All costs must be budgeted in the approved application to be eligible to be charged to the grant.

During grant negotiations, TEA staff will review if costs budgeted in the application are reasonable and necessary for the grant program and size of the campus/LEA. Costs determined by TEA staff to be unallowable or not reasonable and necessary will be removed from the application during negotiations and may be reduced from the grant year budget, depending on the specific grant program. Requested funds may or may not be reallocated to other activities, depending on the specific grant program, after being determined unallowable or not reasonable and necessary by TEA staff.

Costs that are reasonable are defined as those costs that are consistent with prudent business practice and comparable to current market value. Costs that are necessary are those costs that are essential to accomplish the objectives of the grant project. All items requested must be allowable expenditures under the authorizing program statutes, regulations, and rules.

In general, the budget submitted by the applicant must show the following:

- Project costs are reasonable in relation to expected outcomes.
- The amount requested would realistically be expected to have an impact on the stated needs.
- The expected outcomes are sufficient to justify the amounts requested.
- The program identifies and coordinates funding from several sources.
- All expenditures are pertinent to and appropriate for the objectives and activities stated.

A cost can be considered reasonable if it meets the following standards:

- The cost is of a type generally recognized as ordinary and necessary for the 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 are acting with prudence in the circumstances of responsibility to the organization, its members, employees, clients, the public, and federal or state government.

- There are no significant deviations from established practices of the organization that may unjustifiably increase grant costs.

Allocable Costs

The following guidelines apply to allocable costs.

A cost is allocable to a particular grant in accordance with the relative benefits received if it is treated consistently with other costs incurred for the same purposes in like circumstances and if it meets the following conditions:

- Is incurred specifically for the grant
- Benefits both the grant and other work
- Is 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 federal awards (or state awards, if state-funded) to overcome funding deficiencies or to avoid restrictions imposed by law or by the terms of the grant award.

Allowable Costs

Refer to the Program Guidelines, General Allowable Activities and Use of Funds and General Unallowable Activities and Use of Funds, for additional guidance pertaining to costs that are allowable and unallowable for the grant program.

To be allowable to be charged to a grant, costs must meet the following criteria per 2 CFR 200.403 and follow the subgrantee's local written procedures for allowability of costs:

- 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 and procedures that apply uniformly to federally or state-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 a cost or used to meet cost-sharing or matching requirements of any other federally or state-funded program in the current or a prior period
- Be adequately documented
- Not be used for lease-purchases (i.e., debt service) if for discretionary grants

Refer to the instructions for the specific section or schedule of the SAS for additional guidance pertaining to allowable and unallowable costs.

Cost of Equipment Insurance

Equipment purchased with federal funds must be insured. The actual cost of insurance for equipment purchased with funds from this grant program may be charged as a direct cost to the

grant so long as the insurance costs are not contained in any other comprehensive casualty insurance that may be held by the subgrantee.

Use and Disposition of Equipment/Supplies Purchased with Grant Funds

Equipment/supplies purchased with state or federal grant funds must be used in the grant project for which it was acquired for as long as the equipment/supplies is needed, whether or not the grant continues to be funded by state or federal funds. Unless TEA indicates otherwise, once the equipment/supplies is no longer needed, its use may be transferred to support another state- or federally funded grant.

When equipment or supplies is no longer needed for its original purpose, first preference for use by another program or project must be given to other programs or projects funded by USDE and second preference must be given to programs or projects funded under Federal awards from other Federal awarding agencies. Equipment/supplies may only be used for other local programs or projects if there is no use for the equipment/supplies in other federally funded programs or projects. Use for the original grant should always take priority over other uses.

Only the grant funds used to purchase equipment/supplies may be used to pay for repairs to that equipment/supplies. If the equipment/supplies are no longer needed for the original grant, and its use has been transferred to another federal grant as appropriate, repairs may be purchased with funds from the receiving grant.

If equipment can no longer be used, it may be disposed of as follows:

- Items of equipment with a current per-unit fair market value of $5,000 or less may be retained, sold, or otherwise disposed of with no further obligation to TEA.
- After receiving written authorization from TEA, items of equipment with a current per-unit fair market value in excess of $5,000 may be retained or sold. The grant must be credited, and a refund must be submitted to TEA for the fair market value of the equipment. The refund will then be returned by TEA to federal government.

Reasons for removal may include that the equipment/supplies are no longer operable, were destroyed, were stolen, or are no longer needed.

For supplies, if there is a residual inventory of unused supplies exceeding $5,000 in total aggregate value upon termination or completion of the project or program and the supplies are not needed for any other federal award, the subgrantee must retain the supplies for use on other activities or sell them, but must, in either case, compensate the USDE for its share.

If the subgrantee purchases capital outlay (furniture or equipment) to accomplish the objectives of the grant project, the title will remain with the subgrantee organization throughout the grant period. TEA reserves the right to transfer capital outlay items during the grant period or as needed after the ending date of the grant from subgrantees that fail to comply with grant requirements. This provision applies to any furniture or equipment regardless of unit price and item classification in the subgrantee's accounting records.

The form for requesting to dispose of equipment (and, therefore, remove it from inventory) and supplies is available on the Administering a Grant page under Prior Approval, Disclosure, and Justification Forms. The completed disposition form must be submitted for approval by TEA prior to the actual disposition of the equipment/supplies.

Computing Devices

Computing devices are machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories, or peripherals, for printing, transmitting and receiving, or storing electronic information.

Applicants should be thoughtful and deliberate in the planning phase of the application process when budgeting grant funds to purchase computing devices, in particular items such as tablet computers and laptops. Because different types of computing devices are used in different ways, they offer different benefits to the intended beneficiaries of the grant. The grant application must specify what type of computing devices are planned to be purchased and must demonstrate how the planned purchase aligns with the purpose and goals of the grant.

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

Personal Use of Computing Devices Purchased with Grant Funds

Subgrantees are strongly encouraged to develop and approve a policy pertaining to the personal use of technology items purchased with grant funds. The policy should include the following elements:

- A statement detailing that software and/or applications that are solely for personal use should not be loaded/saved onto computing devices purchased with grant funds
- Mechanisms/procedures for ensuring compliance with the policy
- Consequences for noncompliance with the policy

Equipment Inventory for Technology Items That Do Not Meet the Capitalization Threshold

While items such as tablet computers, netbooks, and laptops may not meet the capitalization level established by the subgrantee or TEA, it is strongly recommended that these items be inventoried, tracked, and monitored as they are highly mobile and susceptible to loss.

Per 2 CFR 200.302 (b)(4), “Effective control over, and accountability for, all funds, property, and other assets. The non-federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes.”

Desktop Computer

A desktop computer is a computer that is not designed to be portable and that must be connected to an external power source (rather than running on an internal battery). Desktop computers may be designed so that the central processing unit, monitor, and keyboard are all separate components (as in a tower unit, often association with PCs) or in a unit that incorporates the monitor and processor (as with many Apple desktops, such as the iMac).

Because size and weight are not as important considerations in desktop computers as they are in laptops, desktops are often more powerful, with more installed memory and bigger monitors with higher resolution than what is found on a laptop.

Laptop Computer

A laptop computer is portable computer running a computer operating system and consisting of an integrated keyboard, trackpad (with the option of adding a mouse, either via wireless link or USB cable), and screen. The computer is operated via the keyboard, trackpad, and/or mouse, and the screen is for display only.

A laptop computer is built using the same components found in a full-sized desktop computer, except that the components are smaller and sometimes less powerful to make the computer portable. As a result, laptops can run software designed to perform complex functions, something tablets in general are not yet able to do.

Smartphone

A smartphone is a cellular telephone that incorporates the function of a mobile operating system (OS). A cellular telephone that does not incorporate the function of an OS is known as a feature phone. Feature phones are generally operated from the keypad, and functionality is limited to placing phone calls, sending text messages, and performance of basic computing functions such as calculator, alarm, or calendar.

A smartphone is generally operated via a touchscreen, and the OS permits a much wider range of computing functions, including full Internet connectivity. Smartphones are capable of running software applications, or apps, developed specifically for use with the smartphone’s OS.

Tablet Computer

A tablet computer, or tablet, is a very light, relatively small, easily portable computer that consists of a touchscreen and, optionally, a keyboard that connects to the screen via a wireless link or a USB cable. The main differences between tablets and laptops are screen size (with tablets being smaller) and the tablet’s lack of an integrated keyboard. A secondary difference has to do with the functionality of the devices in terms of the software applications they are designed to run.

Although tablets are capable of running software applications, the applications tend to be limited in functionality (similar to the “apps” developed for smartphones). Most tablets run operating systems that were originally developed for smartphones, rather than operating systems designed for actual computers. Tablets are ideal for Internet browsing, email, creation and editing of digital photos and videos, E-book access, and very basic document creation and editing. They are designed with limited processing power and less memory than most laptops.

It should be noted that with every new generation, tablet computer functionality is increased, and the gap between the tablet and the laptop is closing quickly. At present, however, the tablet computer is not designed to run software applications with complex functionality.

Resources

Always consult the original cost principles for the full text.

Effective December 26, 2014, the uniform grants guidance consolidated the following OMB circulars: A-21, A-50, A-87, A-89, A-122, A-102, A-110, A-133.

Below is a list of entities that now follow 2 CFR 200, Subpart E – Cost Principles in EDGAR:

- Public school districts
- Regional education service centers (ESCs)
- All open-enrollment charter schools
- Local governments (e.g., cities, counties)
- Nonprofit organizations, including community-based organizations and faith-based organizations
- IHEs

Amending the Application

For grant applications submitted via email, submit amendments as follows:

- Noncompetitive grant amendments must be submitted to grantapplications@tea.texas.gov.
- Competitive grant amendments must be submitted to competitivegrants@tea.texas.gov.
- LOI grant amendments must be submitted to loiapplications@tea.texas.gov.

For grant applications submitted via eGrants, amendments must be submitted electronically using the eGrants system.

For competitive grants, subgrantees may not amend the grant application in a way that alters the basic program intent, goals, or objectives to the extent that the program would no longer be the program that received the application score and was subsequently recommended for funding.

Regardless of how a subgrantee distributes the funds among the class/object codes, the subgrantee is still responsible for carrying out the scope and objectives of the grant as described in the approved application.

TEA reserves the right to reject unnecessary amendments without reviewing and/or approving them.

Amendment Justification

After the original application is approved and the subgrantee has received the Notice of Grant Award (NOGA), the subgrantee may need to make changes to the budget or the planned

program. Subgrantees are permitted to rebudget within the approved direct cost budget (as established on the Program Budget Summary) to meet unanticipated requirements and to make certain changes to the approved budget without written amendment. However, some changes do require the prior written approval of TEA through an amendment. Refer to the When to Amend the Application section below to determine when an amendment is required.

Regardless of whether an amendment is required, subgrantees must comply with any requirements for maximum or minimum expenditures for certain categories or activities. For example, if the grant requires that no more than 25% of the funds may be used for a certain activity, such as planning, the subgrantee must comply with this 25% maximum requirement.

Amendment Effective Date

An amendment, after being approved by TEA, is considered effective on the date it was received by TEA in substantially approvable form. All amendments are subject to negotiation.

In general, an amendment must be approved by TEA before any activities occur, such as purchase orders issued, funds encumbered or expended, goods received, or services rendered that are affected by the amendment. If the subgrantee chooses to implement such changes prior to the amendment being approved by TEA, the subgrantee will be responsible for paying, from other fund sources, any costs not approved during negotiations.

When to Amend the Application

For guidance on when to amend the application, refer to “When to Amend the Application,” on the Amendment Submission Guidance section of the Training and Other Resources page.

Amendment Deadline

The TEA Grant Opportunities page lists the last day an amendment may be submitted. Amendments that are submitted after the deadline or that request retroactive approval of expenditures will be accepted and considered by TEA on a case-by-case basis if the amendment is allowable by program statute or regulation and if TEA has not begun the next business process in the grant cycle.

Submitting an Amendment

For PDF grants, the following pages/sections are required to be submitted for an amendment:

- Application Part 1 (PDF): Applicant Information page with up-to-date contact information and current authorized official’s signature and date
- Application Part 1 (PDF): #6. Amendment Description and Purpose page with changes identified and briefly described, excluding any calculations or dollar amounts
- Application Part 2 (Excel): Budget Summary

- All updated pages/sections of Application Part 1 (PDF) and/or Application Part 2 (Excel) affected by the change(s) identified on Application Part 1 (PDF): #6. Amendment Description and Purpose page

For eGrants applications, GS2900 – Purpose of Amendment, and any additional schedules affected by the proposed change are required to be submitted.

FUND MANAGEMENT

General Rules

Subgrantees must maintain a proper general ledger that complies with GAAP and with federal financial management standards. Subgrantees must account for grant funds on a fund accounting basis (i.e., by grant funding source).

Pre-Award Costs

Definition of Pre-Award Costs

In some cases, when authorized by TEA, subgrantees may be permitted to make certain program-related expenditures before the grant beginning date (i.e., pre-award).

For instance, the beginning date of a program might be September 1. During the summer, however, a conference is being held that would be of substantial benefit to program participants. TEA authorizes pre-award costs for the grant to allow program participants to attend the conference. The subgrantee can request payment for expenditures even though they were incurred before the grant beginning date.

Review the program guidelines for the grant to determine whether pre-award costs are permitted and to learn the period during which they are allowable.

Requesting Pre-Award Costs

In order for the subgrantee to be reimbursed for pre-award costs, pre-award costs must generally be requested in the originally approved grant application (including adding the request during negotiations of the original application). If an applicant did not request pre-award costs in the originally approved grant application, the applicant may subsequently request pre-award costs through an amendment if the subgrantee provides additional justification and documentation that explains why the request was not submitted in the original grant application.

IDEA-B High Cost and IDEA-B Discretionary Residential must follow the specific pre-award cost rules in the program guidelines for each application, respectively.

Pre-award costs are part of, and not in addition to, the total grant award.

Budgeting Pre-Award Costs

eGrants Applications

In eGrants applications, applicants must use the pre-award column, if available in the BS60XX – Program Budget and Support. Otherwise, the subgrantee is required to submit a pre-award attachment to request pre-award costs. The pre-award attachment will be included in the document library for the grant and is also linked to the TEA Grant Opportunities page.

PDF Applications

When pre-award costs are permitted, all budget pages of the PDF application will include a pre-award column. The total pre-award costs budgeted for each class/object code must match the pre-award amount entered on the corresponding line of the Program Budget Summary.

Administrative Costs

Administrative funds include both direct and indirect costs.

Direct Administrative Costs

Funds requested for administrative use must be requested in the application on the appropriate budget sections and/or schedules.

Direct administrative costs may include those costs associated with the following:

- Accounting and other fiscal activities, including reporting expenditures to TEA
- Auditing
- Overall program administration
- Evaluating and reporting on the progress and results of the grant program
- Monitoring compliance with the program requirements
- Salaries and benefits for staff who supervise activities of program staff
- Insurance that protects the subgrantee
- Direct administrative costs included in an approved direct cost allocation plan

The authorizing statute or TEA may limit the amount of funds that may be budgeted to administer the program, including direct administrative costs and indirect costs, to no more than 5% (or another amount specified in statute) of the total grant awarded for any fiscal year. Refer to the Program Guidelines, Limitation of Administrative Funds, to determine if administrative costs are limited for this grant.

Indirect Costs

Per 2 CFR §200.56, indirect costs are those costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved.

Indirect costs are calculated and reimbursed based on actual expenditures when reported in the expenditure reporting system, regardless of the amount budgeted and approved in the grant application. Do not submit an amendment solely for the purpose of claiming indirect costs.

To calculate the maximum indirect costs that can be claimed for a grant, complete the Maximum Indirect Costs Worksheet, posted on the Training and Other Resources page, under the Handbooks and Other Guidance section.

Procurement Standards

The following requirements apply to procurements made with grant funds.

Written Agreements and Contracts

The subgrantee must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, and the subgrantee must conform with the requirements listed in 2 CFR 200.318, General procurement standards, which require that the subgrantee:

- Maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders
- Maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in selection, award and administration of contracts
- Award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement
- Maintain records sufficient to detail the history of procurement

Additionally, the dates for services to be performed in contracts and other written agreements must be within the grant period of availability. Multi-year contracts are generally not appropriate for discretionary grants. TEA is not liable for paying subgrantees for a contract beyond the current grant period of availability.

The contract administration system must be in compliance with requirements stated in 2 CFR 200.318–326, including the following general rules:

- 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.
- 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.
- 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).

NOTE: Specifying an individual vendor in a grant application does not meet the applicable requirements for sole-source providers. TEA's approval of such grant applications does not constitute approval of a sole-source provider.

The subgrantee must also comply with 2 CFR 200.320, Methods of procurement to be followed, unless the state's procurement rules are more restrictive:

- Procurement by micro-purchase
- Procurement by small purchase procedures
- Procurement by sealed bids (formal advertising)
- Procurement by competitive proposals
- Procurement by noncompetitive proposals

For Independent School Districts and ESCs

Regarding procurement regulations in 2 CFR 200 and the Financial Accountability System Resource Guide (FASRG), the school district or ESC must follow the most restrictive rule or regulation. For micro-purchases below $10,000, the federal regulations apply. In addition, per state rules, the LEA must have a local policy identifying a threshold below $50,000 for which the LEA does not require a competitive process.

For purchases that cost between $10,001 and $49,999, the federal rules would require price or rate quotations from an adequate number of qualified sources for these purchases. So, in this case, the federal rules are more restrictive than the state rules, up to the $50,000.

At $50,000 and above, the state rules become more restrictive than the federal and must be followed. However, at $250,000 and above, the federal rule for the cost or price analysis is more restrictive and must also be followed in conjunction with the state rules.

For Charter Schools

The FASRG requirements are not applicable to charter schools unless the commissioner approved otherwise in the individual contract for charter. Generally, TEC Section 12.1053 provisions do not significantly limit the contracting and purchasing activities of open-enrollment charter schools. The federal EDGAR requirements will therefore be more restrictive where FASRG does not apply and must, in such instances, be followed for all procurements under federal awards.

For more information on Procurement Standards 2 CFR 200.318 - 200.326 and FASRG please refer to EDGAR/FASRG side by side.

Financial Management Standards

Fiscal control and accounting procedures must permit the tracing of funds to a level of expenditure adequate to establish that funds have been used in accordance with the approved grant application. The applicant must maintain effective control over and accountability for all funds, property, and other assets.

Subgrantees must follow the criteria per the code of federal regulations 2 CFR 200.302:

- Identification, in its accounts, of all federal awards received and expended and the federal programs under which they were received
- Accurate, current, and complete disclosure of the financial results of each federal award or program in accordance with the reporting requirements set forth in 2 CFR 200.327 Financial reporting and 2 CFR 200.328 Monitoring and reporting program performance,
- Records that identify adequately the source and application of funds for federally funded activities
- Effective control over, and accountability for, all funds, property, and other assets
- Comparison of expenditures with budget amounts for each federal award
- Written procedures to implement the requirements of 2 CFR 200.305 Payment
- Written procedures for determining the allowability of costs in accordance with Subpart E – Cost Principles of this part and the terms and conditions of the federal award

Budgeted expenditures are shown by class/object code. School districts, open-enrollment charter schools, and ESCs are required to maintain records on all expenditures by budget function, class/object code, and year of entitlement (appropriation), in accordance with the provisions of the Financial Accountability System Resource Guide (FASRG).

All nonprofit and for-profit applicants for federally funded grants must demonstrate the capability to comply with federal financial management and accounting standards.

TEA reserves the right to conduct a pre-award audit or post-award audit to determine if a subgrantee maintains a proper financial management system and to deny or terminate the award if it is determined that the subgrantee does not maintain a proper financial management system.

Failure to comply with federal financial management standards will result in audit findings and the disallowance of all expenditures paid from the grant.

Financial Accounting System

The applicant's financial management system must meet federal financial management standards and must provide for accurate, current, and complete disclosure of the financial results of each grant project. The financial management system records must adequately identify the funding source and use of funds and must contain information pertaining to grant awards, authorizations, obligations, unobligated balances, assets, outlays (expenditures), income, and interest. Refer to the Information for Organizations Selected for a Review page of the TEA website for sample general ledgers that demonstrate accounting in accordance with the mandatory account code structure required in Financial Accounting and Reporting (FAR).

Pursuant to Education Department General Administrative Regulations (EDGAR) 2 CFR 200.302 and FASRG, TEA will verify whether subgrantees that are ISDs, charter schools, or ESCs use a software application capable of providing adequate financial accounting to administer TEA grant funds. Adequacy of subgrantees' financial accounting-system software application is determined by whether the software application has the ability to do all of the following:

- Accommodate the minimum 15-digit account code mandated by the FASRG.
- Generate information needed for Public Education Information Management System (PEIMS) reporting.
- Ensure adequate accountability of state and federal funds.

Failure of an ISD, charter school, or ESC to account for funds in accordance with FASRG will result in audit findings and the disallowance of all expenditures paid from the grant.

All other subgrantees must have a financial accounting system that meets the standards specified in this section, in accordance with 2 CFR 200.302.

Cash Management

The subgrantee must account for and expend federal funds in accordance with federal statute, state laws, and the terms and conditions of the federal award.

There are two methods available to a subgrantee to make payments for federal subgrants: reimbursement and cash advances.

Reimbursement

In a reimbursement method, a subgrantee draws down federal grant funds from the TEA Expenditure Reporting (ER) System after the subgrantee has already paid the funds. In an effort to allow subgrantees with additional flexibility, TEA has defined reimbursement as drawing down funds on, or after, the day the subgrantee has mailed, delivered, or submitted an electronic payment. For audit purposes, the subgrantee must track the date it mailed, delivered, or submitted an electronic payment as proof for reimbursement method. Under the reimbursement method, a subgrantee is not required to deposit funds in an interest-bearing account.

Cash Advance

Under the cash advance method, a subgrantee draws down federal grant funds in advance of when the funds will be paid out. The use of this payment method requires the subgrantee to have written procedures that minimizes the time elapsing between when the subgrantee will issue the payment for the program purpose.

Advance payments of federal grant funds must be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements in carrying out the purpose of the approved program or project. The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements for direct program or project costs and the proportionate share of any allowable indirect costs.

Subgrantees must have written procedures and internal controls for cash management to ensure that only the actual amount of cash needed from federal grant funds will be requested, and that the cash received will be paid out. Procedures should show that the subgrantee plans carefully for cash flows for grant projects and reviews cash requirements before each request for payment. Cash management procedures are monitored during monitoring visits and during the annual independent audit.

Subgrantees are not required to maintain separate bank accounts for federal grants. However, subgrantees must comply with the applicable standards for financial management in maintaining accounting records by fund source. (See 2 CFR 200.302 and 200.305) Subgrantees receiving federal grant payments may be required to return interest earned to the appropriate federal agency, as described in the following sections.

Return of Interest Earned from Payments to All Eligible Entities

When the LEA has cash on hand from federal grant funds, interest begins to accrue from the date of receipt of the drawdown and will be required to be remitted back to the federal government once the total aggregate amount of interest earned on federal grant awards equals $500.

In accordance with the requirements of 2 CFR 200.305, all organizations must deposit grant payments into an interest-bearing account. For each grant award, the subgrantee may retain an aggregate amount up to $500 annually in interest earned for administrative expenses for all federal grant funds.

The requirements of 2 CFR 200.305 are waived if any of the following conditions applies:

- The subgrantee receives less than $120,000 in total federal awards per fiscal year.
- The best reasonably available interest-bearing account would not be expected to earn interest in excess of $500 per fiscal year on total federal cash balances.
- The average or minimum balance required by the depository bank is too high for the subgrantee to meet with expected federal and non-federal cash resources.
- A foreign government or banking system prohibits or precludes interest bearing accounts.

The aggregate amount of interest accrued on advances of federal grant funds in excess of $500 must be remitted to the Department of Health and Human Services Payment Management System (PMS) through an electronic medium using either Automated Clearing House (ACH) network or a Fedwire Funds Service payment following the process described in 2 CFR 200.305.

Please do not remit the interest earned to TEA.

Noncompliance with Cash Management Requirements

Pursuant to the provisions of 2 CFR 200.338, subgrantees that fail to comply with cash management requirements, including the repayment of interest earned, may be subject to additional award conditions and remedies for noncompliance being imposed as described in the High-Risk Status, Specific Conditions, and Remedies for Noncompliance section below.

Requesting Payment through the Expenditure Reporting (ER) System

Subgrantees in good standing are required to use the expenditure reporting (ER) system to record expenditures and request payment. Subgrantees may generally enter total, by class/object code, expenditures into the ER system up to 30 days following the ending date of the grant.

Accessing ER

To access ER, all individuals reporting and certifying expenditures are required to have a TEA Login (TEAL) account and access to the ER application. For security purposes, the TEAL username and password are not to be shared with any other user. The ER system is designed to accommodate a segregation of duties between the staff member who enters the drawdown into the ER system and the authorized official who certifies and submits the request. Failure to have such segregation of duties could be a sign of insufficient internal controls indicating risk of inadequate fund management. TEA strongly recommends the segregation of duties and may impose additional specific conditions on subgrant awards when risk is identified.

If you do not have access to TEAL, you must request a user ID. On the TEA Login (TEAL) screen, click Request New User Account and complete the steps provided. A username and temporary password will be emailed to you, so you can logon and finalize your account. Once your TEAL account is finalized, you will logon to TEAL, click on My Application Accounts, and follow the instructions to request access to the Expenditure Reporting application.

If you already have a TEAL account and access to ER, login directly to TEAL. In your list of applications, look for the Expenditure Reporting heading and click on your role/link, under the heading, to access the ER system.

Denial of Expenditure Reports

When reporting expenditures by class/object code, the ER system will not permit the subgrantee to submit an expenditure report with the following criteria:

- Where the subgrantee is claiming expenditures in a class/object code not budgeted in the approved application
- When the total amount exceeds the total amount of the grant

Supporting Documentation

TEA reserves the right to require supporting documentation (such as an accounting ledger) that lists the individual expenditures by object code, as well as invoices, receipts, travel vouchers, and other expenditure documents at any time during or after the grant period for as long as the records are retained according to requirements for record retention. The subgrantee will be

required to reimburse any expenditures that are unsupported by appropriate documentation or found to be unallowable under the grant. Depending upon the severity of noncompliance with allowable cost principles, TEA may impose remedies for noncompliance up to and including termination of the grant and refund of all unallowable costs.

Expenditure Payment Requests Requiring Manual Approval

In order to comply with federal regulations, TEA monitors expenditure payment requests through a manual review and approval process. If a payment request requires manual approval, TEA will contact the subgrantee for a simple narrative justification for the request. TEA will not ask for detailed supporting documentation unless the circumstances require it.

For more detailed information on the manual approval process, refer to Payment Requests Requiring Manual Approval, posted in the Expenditure Reporting Guidance section of the Training and Other Resources page.

Cost Share/Match Requirement

Refer to the Program Guidelines, Cost Share or Matching Requirement, to see whether this grant program requires either a cost share or a match.

In general, cost share/matching funds may be derived from three sources: cash contributions, subgrantee in-kind contributions, and third-party (i.e., other than the subgrantee) in-kind contributions. Unless otherwise stated, federal funds may not be used to meet a cost-share/matching requirement; only local or state funding sources may be used.

For costs to be eligible to meet cost-share/matching requirements, the costs must first be allowable under the grant. Therefore, costs for items such as gifts, noneducational field trips, food, and construction are not eligible to be paid from cost share/matching funds.

Applicants must indicate cost share/matching amounts in the appropriate columns in the application. Applicants are not required to list cost share/matching amounts in the same class/object codes in which grant funds are budgeted. Applicants may distribute cost share/matching amounts among any of the class/object codes, so long as the costs are eligible to be paid from cost-share/matching funds and so long as the total cost share/matching amount is equal to or greater than the cost share/matching amount required by TEA (or the authorizing statute, whichever is the case).

Subgrantees are required to maintain the same auditable records, including time and effort documentation, if applicable, for all expenditures relating to cost share/matching funds as for the regular grant funds. These records must be maintained by the business office in the same manner and for the same time period as the regular grant funds. TEA will be required to reduce the total amount of grant funds paid to the subgrantee if the cost share/matching funds are not provided in the required amount. Depending on the timeline that this determination is made, the subgrantee could be required to submit a refund to TEA.

REQUIREMENTS FOR APPLICABLE FEDERAL PROGRAMS

These requirements apply to federally funded grant programs. If listed in the Program Guidelines, Program Elements, these requirements apply to the grant program.

Equitable Access and Participation

Provisions for equitable access and participation apply to all federally funded grants administered by the US Department of Education. As such, Equitable Access and Participation is a required section and/or schedule for both PDF and eGrants applications that are federally funded. The application will not be eligible to be considered for funding in the absence of this information.

In accordance with the General Education Provisions Act (GEPA), Section 427, applicants must develop and describe the procedures they will use to ensure equitable access to and equitable participation in the grant program. The barriers to such participation should be identified for all participants and potential participants during the needs assessment phase of the program planning and development.

All applicants must address the special needs of students, teachers, and other program beneficiaries to overcome barriers to equitable participation, including those based on gender, race, color, national origin, disability, and age.

Private Nonprofit School Participation

If the authorizing statute requires, the following private nonprofit school participation requirement shall apply to the federally funded grant program. Before completing and submitting the application, the applicant must contact the private nonprofit schools located within its boundaries, notifying them of the opportunity to participate in the program. The applicable PNP section for PDF grants or schedule for eGrants must be completed and submitted with the application.

Generally, in accordance with the specific program statute, private nonprofit schools must be consulted in the planning and development of the project. Both children and teachers from private nonprofit schools must be assured equitable participation in all services, materials,

equipment, and teacher training. Please note that specific program statutes may have more detailed requirements.

Private Nonprofit School Initial Contact

Each year, in a manner that is “timely and meaningful” (generally, as described in ESSA, Title VII, Part F, Section 8501), the applicant must contact the private nonprofit school officials located within its boundaries to determine if they wish their teachers or students to receive services. Only secular, neutral, and nonideological services, materials, and equipment may be provided to participants. Such participation usually includes training opportunities for teachers of private nonprofit school children but not for the hiring of any substitute teacher used in the classroom while the private school teacher attends the training. In all cases, the applicant makes the final decision with respect to the services to be provided to private school participants.

Before completing and submitting this application, the applicant must contact officials of private nonprofit schools located within its boundaries to ascertain if these officials would like teachers or eligible children enrolled in their schools to participate in the purposes and benefits of this grant program. This initial contact may be carried out through a variety of communication forms, including documented phone calls, letters (preferably certified), fax, email, or meetings with the school officials.

Private Nonprofit School Consultation

If private nonprofit school officials want their teachers or children to participate, the applicant must involve these officials during all phases of the development, design, and implementation of the program through ongoing communication between appropriate parties.

The applicant must consult with private nonprofit school officials before making any decision that affects the opportunities of their teachers or students to participate in the program, and this consultation shall continue throughout the implementation and assessment of the grant project. The applicant must give private nonprofit school officials a genuine opportunity to express their views regarding each issue. In general, these discussions are subject to the following requirements:

- How the children’s needs will be identified
- What services will be offered
- How, where, and by whom the services will be provided
- How the services will be assessed and how the results of the assessment will be used to improve those services
- The size and scope of the equitable services to be provided to the eligible private school children, teachers, and other educational personnel and the amount of funds available for those services and how that amount is determined
- How and when the agency, consortium, or entity makes decisions about the delivery of services, including a thorough consideration and analysis of the views of the private school officials on the provision of contract services through potential third-party providers
- Whether the agency, consortium, or entity shall provide services directly or through a separate government agency, consortium, or entity, or through a third-party contractor
- Whether to provide equitable services to eligible private school children

- By creating a pool or pools of funds with all of the funds allocated based on all the children from low-income families in a participating school attendance area who attend private schools, or
- In the agency's participating school attendance area who attend private schools with the proportion of funds allocated under subsection based on the number of children from low-income families who attend private school

Equitable Services

Many program statutes require equitable services to be provided to participating private nonprofit schools. When this is applicable, the services that a subgrantee provides to private nonprofit school participants must be equitable in comparison to the services and benefits provided to public school participants. Services are equitable if the subgrantee does the following:

- Addresses and assesses the needs and progress of private school participants on a comparable basis to public school participants
- Determines the number of participants to be served in an equitable manner
- Meets the equal expenditure requirements
- Provides private school participants with an opportunity to participate that
  - Is equitable in relation to the opportunity and benefits provided to public school participants
  - Provides them with reasonable promise of meeting challenging academic standards called for by the state's student performance standards and of private school teachers assisting their students in meeting high standards

Equitable Expenditures/Fair Share for Services

If equitable expenditures for educational services and other benefits for eligible private nonprofit school students, teachers, and other educational personnel are required by the authorizing statute, then expenditures must be equitable to those used for public school participants, taking into account the number and educational needs of the students to be served. For most grant programs, subgrantees should use the following method to calculate the equitable services reservation that should be used for services to eligible private nonprofit schools. Title I, Part A grants require a different equitable services calculation. Refer to the steps outlined in the SAS for the calculation.

Subgrantees are responsible for maintaining documentation of the equitable services calculation at the local level for monitoring and audit purposes. To calculate the equitable expenditures/fair share for services:

1. Calculate the total student enrollment in the public school district participating with federal program.
2. Calculate the total student enrollment in eligible participating private nonprofit schools.
3. Add steps 1 and 2 for the total enrollment of school district students and all participating private nonprofit students.
4. Divide the total current-year allocation by the total number of students (from step 3) for the per-pupil allocation (a reasonable amount may be set aside for administering the private nonprofit school program, not to exceed 7%).

5. Multiply the per-pupil allocation (step 4) by the number of eligible private nonprofit school students (step 2) to determine the private nonprofit school's equitable services reservation.

For example:

1. Total student enrollment in public school district = 1000
2. Total student enrollment in participating private nonprofit schools = 25
3. Total number of public school district and private nonprofit students = 1025 students
4. The total current-year allocation = $100,000
5. $100,000 (allocation) ÷ 1025 (total public and eligible private nonprofit students) = $97.56 per-pupil allocation
6. $97.56 (per-pupil allocation) × 25 (number of eligible private nonprofit school students) = $2,439

The total private nonprofit school's equitable services reservation = $2,439.

Contact information for ESSA Private Nonprofit Participation Ombudsman at TEA

Ombudsman: LaNetra Guess
Federal Program Compliance Division
PNPombudsman@tea.texas.gov
512-463-8992

Maintenance of Effort

If the authorizing statute requires, a maintenance of effort (MOE) requirement shall apply to the federally funded grant program.

In order for TEA to determine if the subgrantee is maintaining the appropriate fiscal effort, it verifies each LEA's MOE using PEIMS data available and notifies the subgrantee if fiscal effort has not been maintained.

Refer to the following pages of the TEA website for links to additional information and guidance regarding the MOE requirement for the ESSA and IDEA-B grant programs:

- IDEA Fiscal Compliance
- ESSA Fiscal Compliance

REPORTING

By submitting the application, the applicant agrees to comply with any reporting requirements established by TEA and to submit the reports in the timeline and format requested by TEA.

Required Programmatic Reports

This section describes the required programmatic reports.

Activity, Progress, and Evaluation Reports

The applicant agrees to submit all required written activity/progress reports during the project in the format specified by TEA. Each activity/progress report is generally due to TEA within 15 days after the close of the reporting period. TEA uses these reports to determine if modifications or adjustments to the program are indicated. Refer to the TEA Grant Opportunities page for due dates.

Final Evaluation Report

The applicant must provide any required final evaluation report in the format requested by TEA within 30 days of the end of the project. The subgrantee is not in compliance with grant conditions and requirements until this report is received by TEA in approvable form. Final payment may be withheld pending receipt of the report in approvable form. Failure to meet the reporting deadline may also affect the subgrantee's eligibility to receive future grants, including continuation grants, from TEA.

It is critical that the subgrantee submit the evaluation report on time. A late evaluation report could cause the subgrantee not to receive final payment.

Limits on Contracted Evaluators

When a subgrantee chooses, or is required under a subgrant, to hire a contracted evaluator, TEA believes that the evaluator must have the capability to remain independent and objective in carrying out the evaluation. "Independent and objective" implies that there is no influence or control, real or perceived, exerted on the evaluator by any person who is involved in the provision of program services. Therefore, the only way in which a contracted evaluator can be truly independent and objective is not to be involved in any manner with the provision of program services or activities. Otherwise, the evaluator is, at least in part, evaluating their own services.

In addition, TEA is aware that some grant writers develop and design the grant program, write the entire grant application, and then propose to evaluate the grant program. TEA also believes that this scenario poses a conflict of interest for the evaluator, in that the evaluator is evaluating the grant program that they designed, developed, and wrote. Again, it is not possible for the evaluator to function independently and objectively if they perform in this capacity. It is certainly acceptable for the grant writer to receive some information from a potential evaluator to include in the evaluation section of the grant application with regard to an appropriate evaluation plan or design, but communication between the grant writer and evaluator should be limited to that specific topic.

Applicants should make every effort to ensure that contracted evaluators are independent and objective.

Expenditure Reporting

See the Requesting Payment through the Expenditure Reporting (ER) System section for more information on using ER for expenditure reporting.

Subgrantees in good standing may report expenditures at any time to receive payment, (see the Cash Management section above.) Subgrantees are strongly encouraged to request payment for legitimate expenditures regularly to indicate to TEA that funds are being spent and that activities are being carried out according to the established timelines, provided such payments conform to the rules pertaining to cash management.

The applicant agrees to report expenditures by class/object code in ER when it requests each payment. The subrecipient is responsible for ensuring the Grantee Manager and/or Grantee Official, or such person using the Grantee Manager or Grantee Official's credentials, has been authorized by the subrecipient organization to enter the organization into legally binding agreements for grant payment purposes prior to the Grantee Manager or Grantee Official certifying and submitting expenditure payment requests in the ER system. This authorized official must certify each request for payment as described in 2 CFR 200.415.

Interim Expenditure Reports

As good grant management practice, semi-annual and other interim expenditure reports should be filed in ER. TEA does not require interim expenditure reports on any certain schedule.

Final Expenditure Report

In general, the final expenditure report must be filed in ER within 30 days after the ending date of the grant. (See TEA Grant Opportunities for due dates.) The total project costs of the grant, as provided on the final expenditure report, should equal and in no case may exceed the total expenditures by class/object code recorded in the financial accounting records of the subgrantee organization.

If cost share or matching is required in accordance with the Program Guidelines, the subgrantee must report the total cost share or match expended on the final expenditure report. The subgrantee is reimbursed only for that portion or percentage of grant funds that meets cost share or match requirements.

Failure to meet reporting deadlines may result in loss of funds and could cause the subgrantee to be identified as "high risk." If a subgrantee fails to comply with the requirement to submit a final expenditure report within 30 days after the ending date of the grant, the last interim expenditure report filed will be the basis of the final expenditure report. (See the Request to Extend Reporting Deadline section below.) In the event that no interim or final expenditure reports have been submitted, TEA staff will enter the final expenditures as $0 total expenditures to allow for the grant closeout process. Depending on the specific grant, the subgrantee may or may not be able to access the funds as carryover.

Revised Final Expenditure Report

Subgrantees may, if applicable, have access to ER to record additional expenditures and request payment for 60 days following the ending date of the grant if such total expenditures

need to be revised. Refer to TEA Grant Opportunities to verify whether a revised final expenditure report is available for the grant program in question.

If the subgrantee discovers expenditures that are greater than the amount initially reported, it must file a revised final expenditure report in order to claim those expenditures. In general, the revised report must be filed in ER within 60 days of the ending date of the grant. Revised final expenditure reports received after that date will not be approved, processed, or paid by TEA except as allowed by an approved request to extend the reporting deadline. (See the Request to Extend Reporting Deadline section below.)

In the event that the ER system is closed, contact the Cash Management/Fund Control Unit in the Grants Administration Division at (512) 463-8525 for further instructions or submit a ticket via the TEA Help Desk.

If the subgrantee discovers expenditures that are less than the amount initially reported, it must submit a revised final expenditure report in ER immediately. Refunds must then be submitted to TEA within 30 days, as described in the following section. If the revised expenditure reporting deadline has passed, submit the refund to TEA. The cumulative expenditures will be adjusted on the appropriate NOGA when the refund is processed.

Refund to TEA

If the final expenditure report indicates that a refund is due to TEA, within 30 days of notification that a refund is due, the subgrantee must submit a refund check to the following address:

Texas Education Agency—MSC
P.O. Box 13717
Austin TX 78711-3717

Write the name of the grant program, NOGA ID number, and reason for refund ID on the refund check. Refer to the following list of reasons for refund.

The refund will be credited to the NOGA ID from which the excess funds were drawn down.

Reason for Refund

- R.1. Correction of an administrative error
- R.2. Correction of an unallowable cost
- R.3. Correction for a cost incurred outside the period of availability
- R.4. Return of funds associated with an excessive drawdown
- R.5. Return of funds associated with termination (voluntary or involuntary)
- R.6. Return associated with a failure to meet maintenance of effort
- R.7. Other (provide brief explanation on separate page)

Expenditure Reporting Assistance

For assistance with expenditure reporting items, contact the Cash Management/Fund Control Unit in the Grants Administration Division at (512) 463-8525, TEAExpenditures@tea.texas.gov, or submit a ticket via the TEA Help Desk.

Request to Extend Reporting Deadline

Each grant program has a Final Expenditure Report due date and a Revised Final Expenditure Report due date identified on the TEA Grant Opportunities page. For most grant programs the request for an extension of the expenditure reporting deadline will need to be made no later than 30 days after the Revised Final Expenditure Report date. However, where the Final Expenditure Report and the Revised Final Expenditure Report deadlines are the same date, the grantee will only have 10 days after the deadline to request an extension of the expenditure reporting deadline. TEA **will not consider** requests that are submitted after the allotted days, 30 days and 10 days past the deadline respectively. If TEA extends the ending date of the grant period after the start of the grant, there may be no opportunity for requesting to extend the expenditure reporting deadline.

All requests for extension to expenditure reporting deadlines must be emailed to TEAExpenditures@tea.texas.gov. Refer to the Expenditure Reporting Information page of the TEA website for additional details for the content of the email request. A separate email must be sent for each grant program the grantee is requesting an extension. The email must be sent from an authorized official, the person authorized to enter the organization into a legally binding agreement for grant payment purposes.

TEA staff will evaluate each request on a case-by-case basis. TEA considers requests by weighing a number of factors related to the request itself, the individual grant program, and the time at which the request is submitted. TEA may need to review supporting documentation, such as the general ledger, in order to determine whether a request will be granted.

TEA will notify the grantee of the approval or denial of the request within five business days of receiving the request. All grantees are responsible for meeting required deadlines. Even if your request is approved, failure to meet expenditure reporting deadlines may result in loss of funds and could cause the grantee to be identified as “high risk.”

Submission of Audit Reports for Federal Discretionary Grants

The following requirements apply only to recipients of federal discretionary and federal discretionary continuation grants from TEA. A continuation grant is a grant that is awarded in any subsequent year following the initial grant award.

2 CFR Part 200 Subpart F Single Audits

Subrecipients of federal discretionary and federal discretionary continuation subgrants from TEA that are ISDs, ESCs, and open-enrollment charter schools submit the required annual audit report to the TEA Financial Compliance Division in the time and manner requested by TEA. Such audit report shall include the reporting package required under 2 CFR 200, Subpart F Audit Requirements if an audit is required in accordance with Subpart F. Audit findings for federal programs will be forwarded to the appropriate TEA division for follow up.

Beginning in fiscal year 2016, subrecipients of federal discretionary and federal discretionary continuation grants from TEA that are nonprofit organizations (other than charter schools) and universities or colleges and that expend $750,000 or more total in federal awards in any fiscal year are required to conduct a Single Audit or program-specific audit in accordance with the requirements in Subpart F. Subgrantees must report audit findings by mail to Federal Fiscal Monitoring (FFM) Division, Texas Education Agency, 1701 N. Congress Ave., Austin, TX 78701-1494, or by email to FFM_SingleAudit@tea.texas.gov:

- With findings: If the schedule of findings and questioned costs discloses audit findings relating to any federal awards provided by TEA, the subgrantee must submit a copy of such audit to TEA's FFM.
- Status of prior-year findings: If the summary schedule of prior audit findings reports the status of any audit findings relating to any federal awards provided by TEA, a copy of such audit shall also be submitted to TEA's FFM.
- No audit findings: If the schedule of findings and questioned costs discloses no audit findings related to any federal awards provided by TEA, or the summary schedule of prior audit findings does not report on the status of any prior audit findings related to any federal awards provided by TEA, written notification (via letter) shall be provided to TEA's FFM that an audit was conducted in accordance with Subpart F and there were no findings related to any federal awards provided by TEA.

Nonprofit organizations (other than charter schools) and universities or colleges that receive federal discretionary and federal discretionary continuation grants from TEA shall submit the Single Audit report (or letter, if no audit findings) to TEA's FFM. Audit reports must be submitted to TEA within 30 days of receipt of the report from the auditor or 9 months after the end of the fiscal year, whichever comes first. Failure to submit a copy of the audit (or letter, as appropriate) to TEA could result the subgrantee receiving grant award conditions placed on the subgrant award or remedies for noncompliance being imposed as described in the High-Risk Status, Specific Conditions, and Remedies for Noncompliance section below.

Annual Audits (Where a 2 CFR 200, Subpart F Audit Is Not Required)

All subgrantee organizations other than ISDs, ESCs, and-open-enrollment charter schools that were not required to have a federal single audit conducted under 2 CFR 200, Subpart F must submit a copy of the complete annual audit/financial report to TEA's Financial Compliance Division within 30 days of the receipt of the report from the auditor.

TEA will assess the information contained in the annual report to determine the impact on the affected federal program and reserves the right to deny continuation funding or to impose specific requirements based on such determination.

HIGH-RISK STATUS, SPECIFIC CONDITIONS, AND REMEDIES FOR NONCOMPLIANCE

Refer to the following sections for information on the policy and conditions governing high-risk status for grantees.

Notice of Agency Policy

TEA conducts federal fiscal grant subrecipient monitoring and compliance reviews, and implements related remedies for noncompliance, in accordance with its established policies and procedures. These policies and procedures incorporate best practices and standards that may be similar to common auditing standards, but the agency does not apply a specific set of external standards, such as the US Government Accountability Office's Generally Accepted Government Auditing Standards (Yellow Book), nor is it required to do so.

TEA reserves the right not to award a discretionary grant to a high-risk subgrantee or to a subgrantee that is materially noncompliant with the terms and conditions of another award. If a subgrantee is identified as high risk by TEA during the grant period, TEA reserves the right to begin procedures immediately to terminate the grant. The subgrantee will be reimbursed for allowable expenditures up through the date of notification of high-risk status.

Specific Conditions

Pursuant to 2 CFR 200.207, if TEA identifies, in its sole determination, a subgrantee as posing a level of risk identified by the agency's risk criteria, the subgrantee has a history of failure to comply with the terms and conditions of the grant award, the subgrantee fails to meet performance goals, or is not otherwise responsible then TEA may impose additional specific award conditions on any subgrant award.

Specific conditions may include 1) requiring payments as reimbursements rather than advance payments (cash advances), 2) withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given performance period, 3) requiring additional, more detailed, financial reports, 4) requiring additional project monitoring, 5) requiring technical or management assistance, or 6) establishing additional prior approvals.

TEA may, in appropriate circumstances, designate the specific conditions established under 2 CFR 200.207 as "high-risk conditions" and designate a non-Federal entity subject to specific conditions established under 2 CFR 200.207 as a high-risk Grantee per 2 CFR 3474.10.

Notification of Specific Conditions

Pursuant to 2 CFR 2000.207, upon placing a specific condition or high-risk Grantee identification, TEA must notify the Grantee of 1) the nature of the additional requirements, 2) the reason for the additional requirements, 3) the action needed to remove the additional requirement, if applicable, 4) the timeline for completing the additional requirements, and 5) the method for requesting reconsideration of the additional requirements being imposed.

Any specific conditions must be promptly removed once the deficiency has been corrected.

Remedies for Noncompliance

If TEA determines that noncompliance cannot be corrected by imposing the specific conditions, TEA may take one or more of the following remedies for noncompliance actions, as appropriate in the circumstances.

- Temporarily withhold cash payments pending correction of the deficiency.
- Disallow all or part of an activity or action not in compliance.
- Wholly or partly suspend or terminate the grant award.
- Initiate suspension or disbarment proceedings under 2 CFR 180,
- Withhold further grant awards for the project.
- Take other remedies that may be legally available pursuant to 2 CFR 200.338.

Notification of Remedies for Noncompliance and Opportunity for Hearing

Upon taking any remedy for non-compliance, TEA must provide the subrecipient an opportunity to object and provide information and documentation challenging the suspension or termination action. (2 CFR 200.341) In addition, 34 CFR 76.401 provides TEA with statutory authority for its procedure for hearing appeals related to the disapproval of an application for grant funding.

The procedure for the hearing of appeals arising under federal law and regulations is codified in Texas Administrative Code (TAC), Title 19, Part II, Subchapter CC, Section 157.1083.

TEA Actions That Result in Applicant's Opportunity for Hearing

Per TAC, Section 157.1082, applicants have the opportunity for a hearing when TEA disapproves or withholds grant funds, such as any of the following:

- IDEA LEA MOE
- ESSA LEA MOE
- Title I comparability
- 2 CFR 200, Subpart F (independent audits) questioned costs
- TEA audit or monitoring review resulting in questioned costs
- Any other enforcement actions where TEA reduces subgrantee allocation amounts or requires refunds due to compliance or eligibility requirements
- Disapproval of an application, as applicable (per 34 CFR 76.401)

Applicant's Opportunity for a Hearing

Per 34 CFR 76.401(c)(1) and (2) and TAC, Section 157.1081, TEA must offer an opportunity for a hearing if the applicant alleges that TEA took either of the following actions in violation of state or federal statute or regulation:

- Disapproval of or failure to approve the application or project in whole or in part
- Failure to provide funds in amounts in accordance with the requirements of statutes and regulations

The applicant must meet the following requirements and TEA must adhere to the following process, as defined in TAC, Section 157.1083.

Applicant Requirements

According to the procedures in TAC, Section 157.1083, the hearing must be requested within thirty (30) calendar days of the date of the enforcement letter and must be requested in accordance with the procedures specified in Section 157.1083.

In the request for hearing, the organization shall specify:

- The action or proposed action that is the subject of the requested hearing
- The statutory or regulatory authority identifying and supporting a finding that a violation occurred by TEA in enforcing the decision
- Specific facts supporting a finding that the action taken by TEA is in error

The request for hearing shall be mailed by certified mail, return receipt requested; transmitted by facsimile at (512) 475-3662; or hand delivered to:

Director of Hearings
Texas Education Agency
1701 N. Congress Ave., Suite 2-150
Austin TX 78701-1494

The request for hearing shall be deemed filed at the time it is actually received by the Director of Hearings or the designated docket clerk in the TEA Hearings Division.

The opportunity to request a hearing will be void 31 calendar days after the date of the enforcement letter.

TEA Process

The hearing shall be held on the record and within 30 days after the request for hearing is received.

At reasonable times and places, TEA shall make pertinent TEA records available.

No later than 10 days after the hearing, TEA shall issue a written ruling that includes findings of fact and reasons.

TEA shall be ordered to rescind the action if it is determined to be contrary to governing state or federal statutes or regulations.

Opportunity for Appeal

Per TAC, Section 157.1083, the applicant may appeal to the US Department of Education if TEA is ordered to rescind its action and fails to do so.

Appendix 1: Additional Guidelines for Competitive Grants

This appendix to the guidelines applies to competitive grants.

Eligibility to Apply

To be eligible for a competitive grant award, the applicant must:

- Meet all eligibility standards previously addressed in these General and Fiscal Guidelines
- Meet all eligibility criteria defined in the Program Guidelines, Eligible Applicants
- Be included on the eligibility list published with the RFA on the TEA Grant Opportunities Page (if applicable)

The following eligibility requirements may also apply.

Use of Grant Writers

The use of contracted grant writers is not prohibited by TEA. However, applicants should consider that employees of the applicant organization are often better suited to write and negotiate grant applications and amendments. Grant applications should be written by the same staff who will implement the grant, if awarded, as there will be better knowledge of both the applicant organization and the contents of the awarded grant application. External grant writers often submit almost identical grant applications for multiple organizations. Grant applications should be customized to meet the needs and demographics of the applicant. Grant negotiations and amendments should be confirmed by employees of the applicant organization. TEA reserves the right to disqualify potential applicants that submit almost identical grant applications.

For this reason, the name of the person writing the grant application must be entered on page 1 of the grant application. Providing erroneous information in this section of the application may cause the application to be disqualified.

Comprehensive Needs Assessment

Grant applications should be written to address needs identified by the applicant through their comprehensive needs assessment (CNA) process. CNA is required by most federal ESSA programs as well as other grant programs. While there is not one specific CNA process required for grant applicants, the applicant should review TEA CNA materials such as the Texas Accountability Intervention System (TAIS) needs assessment and continuous improvement process.

Generally, your CNA should focus on academic and other information about all students on your campus/LEA, including economically disadvantaged students, students from major racial and ethnic groups, students with disabilities, limited English proficient students, and other groups of students. This information must include student achievement in relation to state standards and should also include the campus's/LEA's current status regarding student needs, curriculum and instruction, professional development, family and community involvement, and campus context and organization.

One CNA process suggests five steps you should take to conduct the CNA:

1. **Establish a planning team.** Your campus/LEA needs an effective team to lead the development, organization, and oversee the CNA process; lead staff in developing the campus/LEA improvement plan; and conduct or oversee the annual evaluation of programs and/or services provided. In addition to the knowledgeable instructional leader, the team might consist of campus and district administrators; teachers representing different grades and content areas; other professional staff on the campus, such as guidance counselors and curriculum specialists; parents and other community members; and students (in a secondary school).
2. **Clarify the vision for reform.** Before the CNA begins, campus/LEA staff should discuss their vision for a reformed campus/LEA in terms of student success, and the difference between that vision and the campus/LEA in its current state. This discussion helps identify the strengths and challenges the campus/LEA must address to achieve meaningful change, improve student achievement, and attain the collective vision.
3. **Create the campus/LEA profile.** All staff must understand the campus's/LEA's current state in order to understand the gap between the current status and the status after reform. A campus/LEA profile, which is a data-driven description of the students, staff, and community demographics, programs, and mission, can help identify the focus areas of the CNA and suggest critical areas that the team can address in the campus/LEA improvement plan.
4. **Identify data sources.** The planning team should gather and organize data in the identified areas of focus. Some of the necessary quantitative data, such as student achievement results, enrollment counts, dropout rates, and graduation rates is readily available. The team may also have to gather qualitative data by using written surveys or interviews, focus groups, or classroom observations.
5. **Analyze data.** The team should conduct thorough data analysis to progress from gathering information to creating a campus/LEA improvement plan that accurately and realistically addresses the key issues facing the campus.

The planning team should create a report or other document that summarizes the data it gathered and used, the conclusions it drew from the analysis, and the needs it identified. Each step of a needs assessment includes critical actions to be taken during that step. Although parts

of the needs assessment may be useful in isolation, the needs assessment is designed to be used as a process.

SMART Goals

All grant programs should be developed around the organization's summative SMART Goal(s). It is recommended that TEA grant programs focus on improving student academic achievement or other applicable grant outcomes. Grant programs should also have quarterly progress goals that lead to the success of the SMART goal. Quarterly progress goals may be process or progress goals that ensure implementation of the grant program is progressing to ensure the summative goal will be met.

SMART goals should be all of the following:

Specific

When setting a goal, be specific about what you want to accomplish. Think about this as the mission statement for your goal. This is not a detailed list of how you are going to meet a goal, but it should include an answer to the questions:

- Who: Describe who needs to be involved to achieve the goal.
- What: Detail exactly what you are trying to accomplish.
- When: Set a time frame.
- Where: If applicable, identify the location or relevant event.
- Which: Determine related obstacles or requirements.
- Why: Describe the reason for the goal.

Measurable

Identify metrics to determine if you meet the goal. This makes a goal more tangible because it provides a way to measure progress.

Achievable

Focus on how important a goal is to you and what you can do to make it attainable. The goal is meant to inspire motivation, not discouragement.

Relevant

Relevance refers focusing on something that makes sense with the broader organization goals.

Timely

Provide a target date for deliverables. Providing time constraints creates a sense of urgency.

Program Guidelines

The Program Guidelines provide information on eligibility, funding amounts, requirements, and allowable activities and use of grant funds. It is highly recommended that applicants carefully and thoroughly review the Program Guidelines.

Application Instructions

For each section of the PDF competitive grant application, guidance in the form of tool tips is provided on the information that applicants should provide.

Frequently Asked Questions

To assure that no prospective applicant obtains a competitive advantage because of acquisition of information unknown to other prospective applicants, any and all questions about the RFA must be submitted in writing to the TEA contact person listed in the Program Guidelines, Contact for Clarifying Information. The name of the RFA and the RFA number, located at the bottom of each page of the Program Guidelines, must be included in the written request for information.

Applicants must submit their written questions no later than 11:59 p.m. Central Time on the date specified in the Program Guidelines, Grant Timeline. The questions and their answers (in the form of FAQs) will be published on the TEA Grant Opportunities page on or before the date specified in the Program Guidelines, Grant Timeline. To provide all applicants with equal opportunity to review all FAQs prior to submitting the grant application, any questions received after that date will not be answered by TEA.

The FAQ document becomes incorporated into the RFA by reference.

Applicants' Conference/Webinar

Prospective applicants for competitive grants may be provided an opportunity to receive general and clarifying information from TEA about the scope of the RFA, generally in the form of a webinar. The webinar will be the single opportunity, in a group setting, for applicants for competitive grants to ask questions of TEA personnel in order to clarify their understanding of the scope and nature of the work required for this application. The webinar will be open to all potential applicants, and all questions will be asked and answered in the presence of all attending. Portions of the webinar may be prerecorded and broadcast at the specified time. Each person who attends will be required to register with his or her name and the name, address, and telephone number of the organization he or she represents.

Questions relevant to the RFA may be sent to the program manager listed in the Program Guidelines, Contact for Clarifying Information, no later than the deadline date listed in the

Program Guidelines, Grant Timeline. These questions, along with other information, will be addressed in the presentation.

Questions related to webinar access should also be directed to the program manager listed in the Program Guidelines, Contact for Clarifying Information.

Completing the Competitive Application

It is the applicant's responsibility to ensure that the application is complete before submitting the application to TEA. All required attachments must be included with the application at the time it is submitted. Do not include unsolicited attachments.

TEA does not provide facilities, equipment, or supplies for applicants to use in completing an application.

Application Format

Responses must be typed into the PDF application form; handwritten applications will not be reviewed and will receive a score of zero.

Incomplete Application Sections

It is the applicants' responsibility to ensure that every section of each application submitted is complete. Reviewers will be instructed to select "Not Addressed" on the scoring survey for a blank section of the application resulting in the applicant receiving zero points for that section.

Required Program and Fiscal-Related Attachments

See the Program Guidelines for a description of any program or fiscal-related documentation required to be submitted with the application for the grant program. Applications that are missing any required attachments may affect how the application is scored by reviewers, and will likely affect the application's overall score.

IMPORTANT NOTE: See the Submission of Audit Reports for Federal Discretionary Grants section for details regarding the audit submission requirement as it applies to different applicant types.

Submitting the Competitive Application

The following information includes guidance on how to submit the competitive grant application.

Signature Requirements

TEA requires one copy of the PDF application for competitive grants to be signed, with a digital ID or by hand, by a person authorized to bind the applicant to a contractual agreement.

See below for additional details:

- Applications submitted by ISDs must be signed by the superintendent of the ISD or a designee.
- Applications submitted by regional ESCs must be signed by the executive director or a designee.
- Applications submitted by open-enrollment charter schools must be signed by the chief operating officer of the school or a designee.
- Campuses and campus charter schools must apply through their ISD, and the application must be signed by the superintendent or a designee.
- Handwritten applications will not be accepted.

Applicant organizations must have on file a list of designees authorized to sign the application.

Failure to meet these submission requirements will result in disqualification, and the application will not be forwarded for competitive review.

Submission Requirements

Competitive grant applications must be submitted via email to competitivegrants@tea.texas.gov. Refer to the program guidelines for specific submittal instructions.

Only one application may be included with any email submission. Entities eligible to submit multiple applications must attach each application to a separate email, along with all required attachments.

With the following exception, the application must be submitted in its entirety in a single email. Multiple emails that include separate parts of any one application do not constitute a complete submission and will not be reviewed.

> **EXCEPTION:** If required attachments cannot be emailed with the application because the complete submission exceeds file size or other server limitations, the attachments may be submitted in additional email(s). The subject lines of each email must include a part designation: “Part 1,” “Part 2,” etc.

If TEA receives duplicates of the same application, only the applicant’s final submission will be considered for funding. TEA will discard all earlier submissions without review.

Competitive Application Deadline

Competitive applications will only be accepted and considered for funding if received by 11:59 p.m. Central Time on the deadline date listed in the Program Guidelines, Grant Timeline. After that deadline, any additional materials submitted (including required attachments or resubmissions of the application) will be discarded without review.

Applications received via email after the deadline will be discarded without review. Accepting one late application for any reason invalidates the entire competition and requires the publication of a new competitive grant and resubmittal of applications by all applicants on a new deadline date. Acceptance of late applications creates an undue burden for applicants who did meet the deadline and would cause significant delays in the implementation of the program. TEA will neither accept nor consider for funding any application received after the established deadline.

TEA assumes no responsibility, due to any circumstances, for the receipt of an application after the deadline time and date listed in the Program Guidelines, Grant Timeline. Applicant organizations are strongly advised to allow for and anticipate any such delays by submitting applications as early as possible.

In establishing the time and date of receipt, the commissioner of education will rely solely on the time and date stamped on the email message received at competitivegrants@tea.texas.gov with the required application attached. TEA will not accept any other documentation as proof of receipt of any application.

Competitive Review Process

Applications for grants in which the maximum award available is less than $500,000 are reviewed and scored three times. All three scores are averaged.

Applications for grants in which the maximum award available is $500,000 or greater are reviewed and scored five times. The highest and lowest scores are dropped, and the remaining scores are averaged.

Conflict of Interest and Nondisclosure

All grant reviewers are required to sign a legally binding form certifying that they have no basis for any conflict of interest in the grants they are assigned to review. In addition, reviewers agree not to disclose the contents of any grant application they review to anyone but TEA's competitive review unit.

A reviewer who violates either of these assurances faces the following potential consequences:

- Nullification of the entire grant competition
- Disqualification of the reviewer's organization from the specific grant competition
- Ineligibility of the reviewer's organization to apply for any TEA grant competition for up to 12 months
- Naming of the reviewer's organization in all official TEA announcements as the reason why a competition must be run again and why any grants awarded under the competition must be canceled/voided

Standard Review Criteria

The following standard review criteria are used in scoring the application. Please note that more specific, detailed review criteria customized for the grant program may be used in combination with the standard review criteria.

Each competitive application is reviewed to determine the capability of the applicant to implement its proposed program. In reviewing the information submitted and in recommending competitive applications for funding, reviewers consider the following ratings: Clearly Outstanding, Exceeds Expectations, Meets Standard, Needs Improvement, or Not Addressed. When scoring each indicator, reviewers select a rating which has an appropriate point value assigned.

Identify/Address Needs (10 Points Possible)

Quantifiable needs have been identified and strategies to address those needs have been clearly described.

Measurable Goals and Progress (10 Points Possible)

The benchmarks and the summative Specific Measurable Achievable Relevant Timely (SMART) goal are clearly described and related to either student outcomes or are consistent with the purpose of the grant program.

Project Evaluation and Modification (5 Points Possible)

Applicant clearly describes how project evaluation data will be used to determine when and how to modify the project plan, including if quarterly progress or summative SMART goals do not show progress.

Statutory/Program Requirements (25 Points Possible)

Strategies and activities are of sufficient quality and depth to ensure accomplishment of the goals and objectives of the grant program outlined in the Program Guidelines.

Budget (10 Points Possible)

The costs reflected in the budget are appropriate for the results expected. (5 points)

The budget, including personnel, materials, and other identified expenses, supports the activities outlined in the grant application. (5 points)

Total Possible Points

For each application, a total of 60 points is possible.

Specific Review Criteria

For some grants, the standard review criteria do not fully address all fundamental aspects of the program the applicant is expected to design and describe in the application. In those cases, additional specific review criteria may be defined so that in addition to the indicators addressed by the standard review criteria, those other fundamental aspects may also be evaluated, reviewed, and scored by the grant reviewers. Any specific review criteria defined for the grant

program will be listed in the Program Guidelines, Specific Review Criteria, along with the point value that corresponds to each criterion.

Priorities for Funding

In some grant programs, points are available to applicants that meet certain priorities for funding defined in statute or by TEA. These points are beyond those available through either the standard or specific review criteria. In general, applicants must receive 70% of points available through the standard and specific review criteria before priority points will be awarded. Any priorities for funding (priority points) defined for the program will be listed in the Program Guidelines, Priorities for Funding. If used for the grant, priority points are assigned by TEA program staff.

Oral Interviews for Funding

In limited circumstances, the applicants receiving the most favorable ratings in the application review may be asked to send a representative to Austin, Texas, or conduct an electronic meeting or conference call, at a time and place to be arranged, for an oral presentation of the application. Applications may be rated again and re-ranked following the oral presentations. Points are designated and awarded by TEA program staff.

Selection for Funding

Applications for competitive grants are considered and selected on the basis of total points scored during review and, if applicable, as the result of any oral interviews, but awards are contingent upon availability of funds. In some cases, only applications that receive at least 70 percent or another minimum percentage of points established by TEA, will be considered for funding. Grant awards are generally made starting with the highest-scoring application and continuing to the next highest scoring application until funds are exhausted or until the applications with the minimum percentage score or higher are funded, whichever is the case.

It is important that a diverse group of students and districts be represented in the operation of grant programs. Therefore, after all applications have received a final score, some additional factors may be considered before grant recipients are selected. The order in which applications are ranked may be changed to fund projects that represent a greater diversity of students and districts. In general, projects are selected to establish programs that accomplish the following:

- Meet the intent and purposes of the authorizing statute
- Are cost-effective (i.e., the total grant amount divided by the total number of students served equals the cost per student)
- May be replicated in districts with similar demographics
- Are diverse with respect to size of districts (include districts with small, medium, and large enrollment)
- Are diverse with respect to geographic location in Texas (include different ESC regions or quadrants of the state)
- Demonstrate greatest need
- Meet any additional criteria identified in the program guidelines

To be considered for funding, applicants for competitive grants and continuation grants that have previously received discretionary grants from TEA must have a positive record of

successfully managing programs. A positive record includes compliance with all requirements and conditions of those grants, including financial management requirements, and implementing the grant programs according to the timelines and descriptions proposed in the grant applications.

Final Recommendations and Notice of Grant Award

Based on final scores, the outcome of oral interviews, and any additional considerations as indicated above or identified in the Program Guidelines, final recommendations are assembled and presented to the commissioner of education or his designee who will do one of the following:

- Approve the application in whole or in part.
- Disapprove the application.
- Defer action on the application for further review.

TEA notifies each applicant in writing of the commissioner's decision. For certain competitions, an applicant that is preliminarily selected for funding may receive their NOGA before the negotiation process has been completed and may begin accessing up to 20% of the total award as soon as the grant period begins. The remaining 80% of the funds will be released upon successful completion of the negotiation process. A final approved copy of your application will be mailed to you as soon as negotiations and all final reviews are complete. To help TEA complete negotiations and release the remainder of your funds in a timely fashion, please respond to any inquiries from TEA staff as quickly as possible. The NOGA reserve cannot be lifted as long as any point of negotiation is still pending.

Grantees are responsible for ensuring that any expenditures paid prior to the conclusion of the negotiation process are allowable under the terms and conditions of the grant program. TEA will not make reimbursements for any activities or line items deleted during negotiations. Any refunds incurred while negotiations are ongoing must be paid before the remainder of the grant is released.

The NOGA incorporates this RFA, the instructions for each form, and the approved application as negotiated by TEA and will constitute the binding agreement between the parties. To be eligible to receive an approved application, NOGA, and subsequent funding, applicants must not be on warrant hold by the Texas comptroller of public accounts and must not owe TEA a refund for any discretionary grant.

Checklist for Applicants

Check the following non-exhaustive list before submitting a competitive grant application:

Applicant Checklist: Competitive Grant	
☐	Review the following documents thoroughly to ensure you have a clear understanding of the purpose of the grant program, including eligibility requirements, funding amounts, program requirements and allowable activities: a. Program Guidelines b. Schedule Instructions

Applicant Checklist: Competitive Grant	
	c. Frequently Asked Questions d. Errata Notices e. Other documents that have been published along with the RFA on the TEA Grant Opportunities Page.
☐	Complete all sections of the application. If you leave an application section blank it will impact how reviewers score your application.
☐	Submit one original copy of the application.
☐	Attach any documents outlined in the Required Attachments sections of the Program Guidelines.
☐	**Competitive applications will only be accepted via email at competitivegrants@tea.texas.gov.** Please allow extra time for the application to be received by TEA as technological delays can occur. Emailing your application early will minimize the possibility of it arriving after the application due date as only applications received by 11:59 p.m. Central Time on the application due date will be considered for funding.
☐	When applicable, provide the names of three individuals that can serve as peer reviewers by completing the Reviewer Information Survey.

APPENDIX 2: ADDITIONAL GUIDELINES FOR LETTER OF INTEREST (LOI) GRANTS

The Letter of Interest (LOI) grant competition and process is an informal competitive process for the selection of applicants to receive funding for certain projects.

There are usually two required parts to the application:

- Application Part 1 (PDF) – Application Form
- Application Part 2 (Excel) – Budget Schedule

Eligibility to Apply

To be eligible to apply for an LOI grant competition, the applicant must do the following:

- Meet all eligibility standards previously addressed in these General and Fiscal Guidelines
- Meet all eligibility criteria defined in the Program Guidelines, Eligible Applicants
- Be included on the eligibility list published with the RFA on the TEA Grant Opportunities Page (if applicable)

Use of Grant Writers

The use of contracted grant writers is not prohibited by TEA. However, applicants should consider that employees of the applicant organization are often better suited to write and negotiate grant applications and amendments. Grant applications should be written by the same staff who will implement the grant, if awarded, as there will be better knowledge of both the applicant organization and the contents of the awarded grant application. External grant writers often submit almost identical grant applications for multiple organizations. Grant applications should be customized to meet the needs and demographics of the applicant. Grant negotiations and amendments should be confirmed by employees of the applicant organization. TEA reserves the right to disqualify potential applicants that submit almost identical grant applications.

Program Guidelines

The LOI Program Guidelines provide information on eligibility, funding amounts, requirements, and allowable activities and use of funds. Applicants should carefully and thoroughly review the program guidelines.

Application Instructions

For each section of the LOI application, guidance in the form of tool tips is provided on the information that applicants should provide.

Frequently Asked Questions

To assure that no prospective applicant obtains a competitive advantage because of acquisition of information unknown to other prospective applicants, any and all questions about the LOI must be submitted in writing to the TEA contact person listed in the Program Guidelines, Contact for Clarifying Information. The name of the LOI and the LOI number, located at the bottom of each page of the Program Guidelines, must be included in the written request for information.

Applicants must submit their written questions no later than 11:59 p.m. Central Time on the date specified in the Program Guidelines, Grant Timeline. The questions and their answers (in the form of FAQs) will be published on the TEA Grant Opportunities page on or before the date specified in the Program Guidelines, Grant Timeline. To provide all applicants with equal opportunity to review all FAQs prior to submitting the grant application, any questions received after that date will not be answered by TEA.

The FAQ document becomes incorporated into the LOI by reference.

Completing the LOI Application

It is the applicant's responsibility to ensure that the application is complete before submitting the application to TEA. All required attachments must be included with the application at the time it is submitted. Do not include unsolicited attachments.

TEA does not provide facilities, equipment, or supplies for applicants to use in completing an application.

Application Format

Responses must be typed into the PDF application form; handwritten applications will be disqualified from the LOI competition.

Incomplete Application Sections

Applicants are responsible for ensuring that every section of each LOI application submitted is complete. Reviewers will be instructed to select "Not Addressed" on the scoring survey for a blank section of the application and to assign that section a score of 0.

Required Program and Fiscal-Related Attachments

See the Program Guidelines for a description of any program or fiscal-related documentation required to be submitted with the application for the grant program. Applications that are missing any required attachments may affect how the application is scored by reviewers, and will likely affect the application's overall score.

IMPORTANT NOTE: See the Submission of Audit Reports for Federal Discretionary Grants section for details regarding the audit submission requirement as it applies to different applicant types.

Submitting the LOI Application

The following information includes guidance on how to submit the LOI application.

Signature Requirements

TEA requires one copy of the PDF application for noncompetitive grants to be signed, with a digital ID or by hand, by a person authorized to bind the applicant to a contractual agreement.

See below for additional details:

- Applications submitted by ISDs must be signed by the superintendent of the ISD or a designee.
- Applications submitted by regional ESCs must be signed by the executive director or a designee.
- Applications submitted by open-enrollment charter schools must be signed by the chief operating officer of the school or a designee.
- Campuses and campus charter schools must apply through their ISD, and the application must be signed by the superintendent or a designee.
- Handwritten applications will not be accepted.

Applicant organizations must have on file a list of designees authorized to sign the application.

Failure to meet these submission requirements will result in disqualification, and the application will not be forwarded for competitive review.

Submission Requirements

LOI applications must be submitted via email to loiapplications@tea.texas.gov. Refer to the LOI Guidelines for the specific submittal instructions.

Only one application may be included with any email submission. Entities eligible to submit multiple applications must attach each application to a separate email, along with all required attachments.

With the following exception, the application must be submitted in its entirety in a single email. Multiple emails that include separate parts of any one application do not constitute a complete submission and will not be reviewed.

> **EXCEPTION:** If required attachments cannot be emailed with the application because the complete submission exceeds file size or other server limitations, the attachments may be submitted in additional email(s). The subject lines of each email must include a part designation: “Part 1,” “Part 2,” etc.

If TEA receives duplicates of the same application, only the applicant’s final submission will be considered for funding. TEA will discard all earlier submissions without review.

Application Deadline

LOI applications will only be accepted and considered for funding if received by 11:59 p.m. Central Time on the deadline date listed in the LOI Guidelines, LOI Timeline. After that deadline, any additional materials submitted (including required attachments or resubmissions of the application) will be discarded without review.

Applications received via email after the deadline will be discarded without review. Accepting one late application for any reason invalidates the entire competition and require the publication of a new LOI and resubmittal of applications by all applicants on a new deadline date. Acceptance of late applications creates an undue burden for applicants who did meet the deadline and would cause significant delays in the implementation of the program. TEA will neither accept nor consider for funding any LOI application received after the established deadline.

TEA assumes no responsibility, due to any circumstances, for the receipt of an application after the deadline time and date listed in the LOI Guidelines, LOI Timeline. TEA accepts no responsibility for delays caused by technical problems or insufficient capacity of technology that

occurs at the applicant or originating organization. Applicant organizations are strongly advised to allow for and anticipate any such delays by submitting applications as early as possible.

In establishing the time and date of receipt, the commissioner of education will rely solely on the time and date stamped on the email message received at loiapplications@tea.texas.gov with the required application attached. TEA will not accept any other documentation as proof of receipt of any application.

Standard Review Criteria

The following standard review criteria are used in scoring the LOI application. Please note that more specific, detailed review criteria customized for the program may be used in combination with the standard review criteria.

Each application is reviewed to determine the capability of the applicant to implement its proposed program. In reviewing the information submitted and in recommending competitive applications for funding, reviewers consider the following ratings: Clearly Outstanding, Exceeds Expectations, Meets Standard, Needs Improvement, or Not Addressed. When scoring each indicator, reviewers select a rating which has an appropriate point value assigned.

The following sections describe the standard LOI application and the applicant's requested response. Any additional input required in a particular LOI application will include specific guidance in the form of tool tips.

Summary of Program

Summarize the program you will implement with grant funds, including the overall mission and specific needs of your organization.

Qualifications and Experience

Provide data on the qualifications and experience of the existing or future staff members, as required per the program guidelines.

Goals, Objectives, and Strategies

Describe how stated goals, objectives, and strategies will be used to define the proposed program.

Performance and Evaluation Measures

Describe strategies and activities that are of sufficient quality and depth to ensure accomplishment of the goals and objectives of the grant program outlined in the LOI Guidelines.

Budget Narrative

Explain how the costs reflected in the Budget Schedule (Application Part 2) are appropriate for the results expected. The budget, including personnel, materials, and other identified expenses, should support the activities outlined in the application.

Priorities for Funding

In some LOI programs, points are available to applicants that meet certain priorities for funding defined in statute or by TEA. These points are beyond those available through either the LOI standard or LOI specific review criteria. As an example, applicants may be required to receive 70% of points available through the LOI standard review criteria before priority points will be awarded. Any priorities for funding (priority points) defined for the program will be listed in the LOI Program Guidelines, Priorities for Funding.

Oral Presentations

In limited circumstances, the applicants receiving the most favorable ratings in the application review may be asked to send a representative to Austin, Texas, or conduct an electronic meeting or conference call, at a time and place to be arranged, for an oral presentation of the application. Applications may be rated again and re-ranked following the oral presentations.

Selection for Funding

Applications for LOIs are considered and selected based on total points scored during review and, if applicable, as the result of any oral interviews, but awards are contingent upon availability of funds. In some cases, only applications that receive at least a minimum standard review percentage of points established by TEA will be considered for funding. Unless specified otherwise in the LOI Program Guidelines, grant awards are generally made starting with the highest-scoring application and continuing in descending order until funds are exhausted or until the applications with the minimum standard review percentage score or higher are funded, whichever is the case.

It is important that a diverse group of students and districts be represented in the operation of grant programs. Therefore, after all applications have received a final score, some additional factors may be considered before recipients are selected. The order in which applications are ranked may be changed to fund projects that represent a greater diversity of students and districts. In general, projects are selected to establish programs that accomplish the following:

- Meet the intent and purposes of the authorizing statute.
- Are cost-effective (that is, the total grant amount divided by the total number of students served equals the cost per student).
- May be replicated in districts with similar demographics.
- Are diverse with respect to size of districts (include districts with small, medium, and large enrollment).
- Are diverse with respect to geographic location in Texas (include different ESC regions or quadrants of the state).

- Demonstrate greatest need.
- Meet any additional criteria identified in the program guidelines.

To be considered for funding, applicants for LOIs and continuation awards that have previously received grants from TEA must have a positive record of successfully managing programs. A positive record includes compliance with all requirements and conditions of those awards, including financial management requirements, and implementing the programs according to the timelines and descriptions approved in the applications.

Final Recommendations and Notice of Grant Award

Based on final scores, the outcome of oral interviews, and any additional considerations as indicated above or identified in the LOI Program Guidelines, final recommendations are assembled and presented to the commissioner of education or designee who will do one of the following:

- Approve the application in whole or in part.
- Disapprove the application.
- Defer action on the application for further review.

Pre-award costs may be permitted from the award announcement date to the grant start date. Refer to the LOI Program Guidelines for further information. Upon successful completion of the negotiation process, a final approved copy of your application will be sent to you via email. To help TEA complete negotiations, please respond to any inquiries from TEA staff as quickly as possible.

The NOGA incorporates this LOI, the instructions for each form, and the approved application as negotiated by TEA and will constitute the binding agreement between the parties. To be eligible to receive an approved application, NOGA, and subsequent funding, applicants must not be on warrant hold by the Texas Comptroller of Public Accounts and must not owe TEA a refund for any discretionary grant.