

## Description of Change

The following errata is issued as it relates to updates provided in the Governmental Accounting Standards Board (GASB) Statement 96 regarding Subscription-Based Information Technology Arrangements (SBITAs) and subsequent incorporation into the Financial Accountability System Resource Guide (FASRG), Version 18.0, effective September 13, 2022. Local educational agencies (LEAs) and other non-federal entities awarded subgrants by Texas Education Agency (TEA) must incorporate applicable changes adopted in FASRG Version 18.0 into their daily financial accounting practices.

## Updated Budget Schedules for Grant Applications

To allow grantees to budget SBITA costs for terms greater than 12 months for applicable grant programs, TEA is adding budget schedule Debt Services (6500) to new PDF grant applications and a revised BS6501—Debt Services schedule to new eGrants applications. For grantees needing to budget for SBITAs in active, applicable grant applications awarded on or after September 13, 2022, these schedules are available as forms that must be attached in an amendment:

- [Debt Services 6500 Form](#) (Excel spreadsheet) for current PDF Applications
- [BS6501—Debt Services Form](#) for current eGrants Applications

Please note that if the Program Guidelines for a current grant program do not list debt services as allowable, you may only amend your application to include SBITA Liability—Principal Costs (6514) and SBITA Liability—Interest Costs (6526) costs if software or other applicable technology-related costs are allowable per the Program Guidelines and are necessary to accomplish grant objectives.

## Amending Current Grant Applications for SBITAs

Grantees needing to amend current grant applications to budget for SBITAs should follow the steps below, according to the type of grant originally submitted. In the amendment, provide the following justification statement as the Purpose of Amendment: *“Adding debt services as a budgeted expense to our grant application in order to include SBITA costs pursuant to the Universal Errata issued on April 3, 2023. We have attached the detailed Debt Services budget schedule to this amendment. We request this allowable activity be approved retroactive to the NOGA Begin Date of the original grant application.”*

### **For Current eGrants Applications That Allow Attachments (such as ESSA, SPED, Perkins, School Improvement, or RLIS):**

- a. Navigate to your application in eGrants, then click Amend to begin an amendment.
- b. Include in GS2900—Purpose of Amendment the justification statement provided above.

- c. Adjust budgeted amounts in BS6001—Program Budget Summary and Support to include SBITA costs for Class/Object Code 6500.
- d. Complete BS6501 by placing the SBITA amount in Part 1, Line 1 (Capital Lease - Principal), then complete Part 2: Description of Property in order to save the schedule.
- e. Adjust and save any other budget schedules affected by changes to the budget.
- f. Complete the [BS6501—Debt Services Form](#) and upload it as an attachment in the eGrants application.
- g. Have an authorized grantee official Certify and Submit the amendment to TEA.

**For Current eGrants Applications That Do Not Allow Attachments (such as ESSER II and ESSER III):**

Follow steps a-e as described above. For steps f-g, complete the [BS6501—Debt Services Form](#) and keep locally, then save and have an authorized grantee official Certify and Submit the amendment to TEA. During the negotiation process, a grant negotiator will email the Applicant Contacts to request the completed form.

**For Current PDF Grant Applications:**

Amend Application Part 1 (PDF) and Part 2 (Excel) following the instructions on the PDF Application Part 1. Under Purpose of Amendment, include the justification statement provided above. Complete the [Debt Services 6500 Form](#). Submit the amended Application Parts 1 and 2 and the 6500 schedule to TEA’s Grants Administration Division as follows:

PDF Grant Type	Email Application Part 1, Part 2, and the Debt Services (6500) schedule to:
Noncompetitive PDF	<a href="mailto:GrantApplications@tea.texas.gov">GrantApplications@tea.texas.gov</a>
Competitive PDF	<a href="mailto:CompetitiveGrants@tea.texas.gov">CompetitiveGrants@tea.texas.gov</a>
Letter of Interest (LOI) PDF	<a href="mailto:LOIapplications@tea.texas.gov">LOIapplications@tea.texas.gov</a>