

May 2, 2017

TO THE ADMINISTRATOR ADDRESSED:

SUBJECT: Indirect Cost Rates Available for School Year 2017–2018 (Fiscal Year 2018)

TEA has approved indirect cost rates for open-enrollment charter schools, independent school districts, and education service centers. These rates are effective July 1, 2017, through June 30, 2018.

Accessing Your Rates

You may find your indirect cost rates in either of two places:

- The [Indirect Cost Rates](#) page of the agency website lists indirect cost rates for all open-enrollment charter schools, independent school districts, and education service centers.
- The GFFC Reports and Data Collections secure application includes a 2017–2018 Indirect Cost Rate Notification Letter for each open-enrollment charter school, independent school district, and education service center. This letter lists your indirect cost rates. Follow these steps to access your letter:
 1. Log on to [TEASE](#) or [TEAL](#).
 2. Select “GFFC Reports and Data Collections.”
 3. Select “Notification Letter - Indirect Cost Rate” from the Report Title drop-down menu.
 4. Select “2017-2018” from the School Year drop-down menu.

Restricted and Unrestricted Indirect Cost Rates

You have been issued two indirect cost rates, a restricted rate and an unrestricted rate. The restricted rate is used for grant programs covered by a supplement, not supplant provision. The unrestricted rate is used for grant programs without such a provision.

The program guidelines for all grants includes a Supplement, Not Supplant section specifying whether the provision applies to that grant program. Supplement, not supplant applies to almost all grant programs that TEA administers, so you will usually use your restricted indirect cost rate.

You can find detailed information on the supplement, not supplant provision in the Supplement, Not Supplant Handbook, posted in the Handbooks and Other Guidance section of the [Administering a Grant](#) page of our website.

For Further Information

If you have questions about the issuance of indirect cost rates, please email the Federal Fiscal Compliance and Reporting Division at compliance@tea.texas.gov.

If you have questions about claiming indirect costs, please email the Grants Administration Division at grants@tea.texas.gov.

Sincerely,

James Connolly, Interim Director
Federal Fiscal Compliance and Reporting Division