

<b>DATE:</b>	<b>August 7, 2025</b>
<b>SUBJECT:</b>	<b>Federal Grant Update</b>
<b>CATEGORY:</b>	<b>Funding Implications</b>
<b>NEXT STEPS:</b>	<b>Share with appropriate finance, grants, and federal program staff</b>

### Background

On June 30, 2025, the U.S. Department of Education (USDE) notified the Texas Education Agency (TEA) that several federal grant allocations for the upcoming fiscal year would be delayed. On July 21, 2025, USDE released funding for Title IV, Part B – Nita M. Lowey 21st Century Community Learning Centers (21st CCLC). Then, on July 25, 2025, USDE informed TEA that the remaining delayed federal grant allocations would begin to be released starting the week of July 28, 2025.

TEA officially received the Grant Award Notifications (GANs) for the following programs on July 30, 2025:

- Title I, Part C – Migrant Education
- Title II, Part A – Supporting Effective Instruction
- Title III, Part A – English Language Acquisition
- Title IV, Part A – Student Support and Academic Enrichment

### Key Impacts

#### Entitlements

Because the GANs provided TEA with the first confirmed allocation amounts, TEA calculated revised planning amounts. Revised planning amounts are expected to be released the week of August 11, 2025. School systems may experience increased and/or decreased grant entitlements/allocations compared to the currently posted planning amounts. TEA will issue a GovDelivery message when revised planning amounts are available on the TEA Entitlements webpage.

#### Grant Applications

TEA will keep the ESSA Consolidated Application unchanged in the eGrants system. If you have previously received a NOGA for the program above, it was a prepopulated form based on the information you submitted. As previously stated, TEA never expected such late notice of the delay in allocations, and the IT process to change the NOGA will take several weeks. The NOGA for these impacted programs is incorrect and should be ignored until the NOGA is reissued with a new start date for these programs.

For school systems that have already received a NOGA, you will need to submit an amendment to budget for the revised planning amounts. **(Note:** TEA will not begin processing amendments until all original applications are issued NOGAs.) School systems with an application in process *may* be able to update the budget to incorporate revised planning amounts during negotiation, depending on the application status. Contact your grant negotiator to determine if your application may be updated. For school systems that have not submitted an application for these funds, you will need to complete the original application using the posted revised planning amounts and submit the original application.

## **Carryover**

School systems should review budget records to determine potential carryover amounts within these and all other grant programs that end September 30, 2025. Carryover is intended for unforeseen circumstances and cannot legally be planned. School systems should be planning to use these and other grant funds during the initial year of the award. High carryover amounts can indicate a lack of program planning, implementation, and performance as well as placing the school system at a higher risk level.

In all programs, the school system will continue to have access to the carryover funds; however, TEA will not be able to NOGA the carryover amounts until after the closeout process ends January 30, 2026. Your school system knows your carryover amount as soon as it completes the local closeout process in the fall and can plan for and expend the funds before TEA issues the carryover NOGA. TEA has no concern with school systems paying expenditures locally and then reimbursing itself when the carryover funds become available in the early spring.

## **Period of Availability**

TEA has verified that USDE considers the obligation start date for these funds to be July 1, 2025, even though release of the GAN to TEA was delayed. School systems may begin to obligate the funds on the start date of the revised NOGA or July 1, 2025, whichever is later.

## **Additional Information**

Additional information will be provided as TEA receives more clarification. For any questions, please email Cory Green ([cory.green@tea.texas.gov](mailto:cory.green@tea.texas.gov)) or Nick Davis ([nick.davis@tea.texas.gov](mailto:nick.davis@tea.texas.gov)).