

<b>DATE:</b>	April 17, 2025
<b>SUBJECT:</b>	Process for Certification of 2025-2026 Indirect Cost Rates for School Districts Only*
<b>CATEGORY:</b>	Funding Implications and Pending Deadline
<b>NEXT STEPS:</b>	School Districts to certify ICRPs by May 16, 2025, to receive indirect cost rates for July 1, 2025 to June 30, 2026

The purpose of this letter is to inform school districts that the Texas Education Agency (TEA) has uploaded the completed Indirect Cost Rate Proposals (ICRPs) in GFFC Reports and Data Collections (GFFC Reports). **School districts that requested an indirect cost rate must review, approve, and certify their ICRP data by May 16, 2025.**

**\*Note:** Charter schools use a different process to request an indirect cost by completing the [charter school request for an indirect cost rate survey](#). If a charter school did not complete the survey by March 28, 2025, please complete the survey as soon as possible and then email [compliance@tea.texas.gov](mailto:compliance@tea.texas.gov) to notify TEA that it has been submitted to ensure an indirect cost rate is issued.

### Reviewing, Approving, and Certifying the ICRP

The ICRP is available in the secure GFFC Reports application and is accessible through [TEAL](#). To receive TEA's calculated indirect cost rates, the school district must review, approve and certify its completed ICRP.

Instructions for completing the school district review/approval/certification process are available in the ICRP Certification Instructions posted on the [Indirect Cost Rates](#) webpage. The Certification Instructions describe the ICRP review process and provide step-by-step instructions on how to certify and submit the ICRP Certification. The certification serves as the school district's approval of the final restricted and unrestricted indirect cost rates for 2025–2026.

### Background Information

#### Process for Requesting Indirect Cost Rates for School Districts

Effective with 2018–2019 school year, school districts must request an indirect cost rate each year by completing and submitting the **ICRP Additional Costs Workbook (ACW)**, as described in a To the Administrator Addressed (TAA) letter of [October 31, 2024](#). The deadline for submitting the workbook and thus requesting indirect cost rates was January 17, 2025.

The submission of the ICRP ACW serves as a school district's request for indirect cost rates. Rates are calculated only for school districts that submitted a completed ICRP ACW. TEA received ICRP ACWs from most Texas school districts. For school districts that did not submit a completed ICRP ACW, TEA did not calculate and will not issue rates for the 2025–2026 school year.

#### ACW and PEIMS Data

In completing an ICRP ACW, the school district provided approximately 10% of the data required to complete the ICRP. TEA drew the remaining 90% of required ICRP data from the school district's

certified Texas State Data System/Public Education Information Management System (TSDS/PEIMS) data.

TEA populated the completed ICRP for each school district that submitted an ICRP ACW by merging TSDS/PEIMS data with the school districts submitted ACW data.

#### 2025–2026 Indirect Cost Rates Timeline

The following table lists the remaining steps in the indirect cost rate process:

Date	Action	Status
May 16, 2025	Due date for school districts to submit ICRP Certifications in GFFC Reports, accessible through <a href="#">TEAL</a> .	Next school district step
July 1, 2025	TEA posts Indirect Cost Rate notification letters in GFFC Reports, accessible through <a href="#">TEAL</a> . <b>2025–2026 indirect cost rates become effective.</b>	Last step pending

#### **Resources**

Refer to the [Indirect Cost Rates](#) page of the TEA website for more information on indirect cost rates.

If you have questions about the indirect cost rate process, please email [compliance@tea.texas.gov](mailto:compliance@tea.texas.gov).