Texas Education Agency

Commissioner Mike Morath

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To the Administrator Addressed

DATE:	**August 13, 2026**
SUBJECT:	**Financial Accountability System Resource Guide (FASRG) V20 Update**
CATEGORY:	**Information Update**
NEXT STEPS:	**Share with appropriate staff**

Overview

The purpose of this correspondence is to inform school systems that the *Financial Accountability System Resource Guide (FASRG)* Version 20 is now effective and is posted to the Texas Education Agency's (TEA) website. Updates were made to accounting guidance, fund codes, function codes, object codes, and program intent codes.

Key updates are summarized below.

- Module 6 – Compensatory Education, Guidelines, Financial Treatment, and an Auditing and Reporting System has been deleted because Texas Education Code, Section 48.104(j-l) was repealed. The following program intent codes (PIC) related to state compensatory education were also deleted:

  - PIC 26 – Nondisciplinary Alternative Education Programs—Basic and Supplemental Services
  - PIC 28 – Disciplinary Alternative Education Program (DAEP)—Basic Services
  - PIC 29 –DAEP State Compensatory Education Supplemental Costs
  - PIC 30 – Title I, Part A, Schoolwide Activities Related to State Compensatory Education and Other Costs on Campuses with a Current Schoolwide Status

  Although the PICs listed above will be removed, PIC 24 remains available for use, and the TEA strongly encourages school systems to continue to use it to help with reporting and transparency.

- Accounting and reporting treatment for shared service arrangements has been added to Module 1 – Financial Accounting and Reporting (FAR).

- Updates were made to the Annual Financial and Compliance Report templates in Module 1 – FAR Appendices to comply with Governmental Accounting Standards Board (GASB) Statement No. 103 and other requirements.

- Updates were made to Module 1 – FAR Appendices and Module 3 – Nonprofit Charter School Chart of Accounts to increase the capitalization threshold from $5,000 to $10,000.

- Updates were made to Module 5 – Purchasing to increase the purchasing threshold from $50,000 to $100,000 for procurement requirements.

- New fund codes were added to Module 1 – FAR Appendices and Module 3 – Nonprofit Charter School Chart of Accounts to clarify the accounting and tracking of federal and state funds. These funds will be added to the 2027-2028 Texas Education Data Standards (TEDS) PEIMS Fund Codes, code table C145, effective for the PEIMS 2027-2028 staff payroll data submission and the 2028-2029 mid-year collection for 2027-2028 actual financials. The fund codes are listed below.

<table>
<tr><th>Fund Code</th><th>Title</th><th>Description</th></tr>
<tr><td>214</td><td>Title IV, Part A</td><td>This code is used to account for funds granted to increase the capacity of school systems, campuses, and communities to:
provide all students with access to a well-rounded education,
improve school conditions for student learning, and
improve the use of technology in order to improve the academic achievement and digital literacy of all students.
(ALN 84.424A)</td></tr>
<tr><td>423</td><td>School Safety Grants</td><td>This code is used to account for funds granted for school safety programs. Programs accounted for in this fund include, but not limited to, School Safety Standards and Safe Cycle grants. Activities accounted for in this fund must be limited to those that support implementation of statewide school safety standards, including safety planning, training, infrastructure improvements, and compliance-related activities.</td></tr>
<tr><td>424</td><td>Learning Acceleration Support Opportunities (LASO)</td><td>This code is used to account for funds awarded under the Learning Acceleration Support Opportunities (LASO) framework to support student learning acceleration initiatives, including tutoring, extended instructional time, and other learning acceleration strategies as defined in the grant award documentation.</td></tr>
<tr><td>425</td><td>Parent-Directed Special Education Services</td><td>This code is used to account for funds awarded for Parent-Directed Special Education Services and the funds must be used in compliance with the program requirements, including eligibility, allowable services and materials, administrative, and other requirements for the program.</td></tr>
</table>

- The fund codes listed below were deleted.

Fund Code	Title	Module 1, FAR Appendices	Module 3
273	Mathematics and Science Partnerships	Deleted	Deleted
277	Coronavirus Relief Fund – CARES Act	Deleted	Deleted
357	Shared Services Arrangements—Mathematics and Science Partnerships	Deleted	N/A
862	Custodial Fund for Instructional Material Waiver Refunds	Deleted	N/A

- Function code 92 – Incremental Costs Associated with the Purchase of WADA under the Texas Education Code, Chapter 49 was deleted from Module 1 FAR Appendices.

- Terminology, accounting, and reporting for unusual or infrequent items were revised to align with guidance from GASB for school districts and the Financial Accounting Standards Board (FASB) for charter schools. Specifically:

  - Object codes 7919 and 8913 were renamed from Extraordinary Items to Unusual or Infrequent Items for school districts and charter schools in Module 1 FAR Appendices and Module 3 – Nonprofit Charter School Chart of Accounts, respectively
  - Object codes 8912 and 7918 for former Special Items were deleted from Module 1 FAR Appendices

- Object code 1420 – Capitalized Bond and Other Debt Issuance Costs was deleted from Module 1 – FAR Appendices and Module 3 – Nonprofit Charter School Chart of Accounts.

Questions

If you have any questions related to the contents of this letter, please contact the Division of Financial Compliance by phone at (512) 463-9095 or by email at financialaccountability@tea.texas.gov.