



TEXAS EDUCATION AGENCY

Application Guidelines

Part 2: Program Guidelines and Use of Funds

Title I, Part C, Carl D. Perkins Grant Application

2010–2011 School Year

Due to TEA: 5:00 p.m. Central Time,
Wednesday, September 1, 2010

Guidelines and eGrants

The application to which these guidelines refer must be submitted electronically through the eGrants system. TEA will not accept the application via any other means.

Requirement for TEA SE User Name and Password

To access eGrants, you must have a TEA SE (Texas Education Agency security environment) user name and password. If you have not yet applied for a TEA SE user name and password, use the following link to find the form and instructions for applying for a user name: <http://ritter.tea.state.tx.us/opge/egrant/>. A user name and password will be e-mailed to you. Allow two weeks for processing.

TEXAS EDUCATION AGENCY

**1701 North Congress Avenue
Austin, Texas 78701**

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Name of Project	School Year	SAS#	Application Due Date
Title I, Part C, Carl D Perkins	2010–2011	PERKAA11	Wednesday, September 1, 2010 5:00 p.m. Central Time

This part of the request for applications (RFA), Part 2: Program Guidelines, is to be used in conjunction with Part 1: General and Fiscal Guidelines and the Schedule Instructions for this grant. The Standard Application System (SAS) consists of all schedules (i.e., forms) to be completed in order for the applicant to be eligible for funding.

For applicants selected for funding, all guidelines and instructions will be incorporated by reference into the Notice of Grant Award (NOGA).

Department of Education Appropriations

The following is provided in compliance with the Department of Education Appropriations Act:

Category	Amount
Total funds available for this project	\$56,494,464
Percentage to be financed with Federal funds	100%
Amount of Federal funds	\$56,494,464
Percentage to be financed from nonfederal sources	0%
Amount of nonfederal funds	\$0

Purpose of Request for Application

The purpose of this request for application is to solicit grant applications from eligible applicants to carry out programs that do the following: develop more fully the academic and technical skills of secondary students who elect to enroll in career and technical education (CTE) programs.

To qualify for grant funding, applicants must meet all eligibility criteria defined in the [Eligible Applicants](#) section. With the application, applicants must also submit any required attachments (listed in the [Required Attachments](#) section).

In addition, the applicant must meet all program requirements to be eligible for grant funding.

All program requirements are listed in the [Application Requirements](#) section.

The Texas Education Agency (TEA) may periodically issue written guidelines concerning the management of grants approved in this application or clarifying previously issued grant guidelines. Any guidance issued after the initial approval of the application is to be incorporated with these instructions.

Grant Timeline

Date	Event
Tuesday, May 18, 2010	Publication of eGrants Applicant Designation and Certification Form eGrants
Tuesday, June 7, 2010	Publication of eGrants Grant Application on eGrants
Wednesday, June 30, 2010	End of 2009–2010 Federal CTE project
Thursday, July 1, 2010	34% of the district's Perkins funds available for obligation
Thursday, July 1, 2010	Effective date of 2010–2011 applications received on or before July 1, 2010. Applications received after July 1, 2010, become effective the date received in the Division of Formula Funding.
Monday, August 16, 2010	Deadline for submitting 2009–2010 project final expenditure report
Wednesday, September 1, 2010	Last date for submitting application requesting the Federal planning allocation for 2010–2011
Wednesday, September 1, 2010	Deadline for submitting 2009–2010 program effectiveness report
Wednesday, September 15, 2010	Deadline for submitting revised 2009–2010 final expenditure reports
Friday, October 1, 2010	Remaining 66% of the district's Perkins funds available for obligation
Friday, April 1, 2011	Deadline for submitting equipment requests (Schedule BS6003—Program Budget Summary and Support) for 2010–2011 Federal project
Monday, May 2, 2011	Deadline for submitting any 2010–2011 Federal CTE budget amendments
Thursday, June 30, 2011	End of 2010–2011 Federal CTE project
Sunday, July 31, 2011	Deadline for submitting 2010–2011 project final expenditure report
Monday, August 15, 2011	Deadline for submitting 2010–2011 Program Effectiveness Report
Wednesday, August 31, 2011	Deadline for submitting 2010–2011 revised final expenditure reports

If a report due date falls on a weekend or holiday, the report will be due the following business day. All of these dates *except* the grant ending date may vary slightly as conditions require.

Application Due Date

The completed eGrants application must be certified and submitted by the official authorized to bind the applicant organization in a contractual agreement by September 1, 2010, at 5 p.m. Central Time. The approval ID (TEA SE username) listed on the **Certify and Submit** page upon submission must be that of the authorized official listed by you in the space provided.

TEA accepts no responsibility for technical problems, delays, or insufficient capacity of technology that occurs at the applicant or originating organization. You are strongly advised to submit

applications well before the deadline date and time in an effort to reduce or eliminate technical barriers.

Project Period

Plan for a project starting date of no earlier than July 1, 2010, or the date the online application is certified by the applicant and received by the Division of Formula Funding, TEA, whichever is later. The ending date is no later than June 30, 2011. Obligations of funds for activities and services conducted shall occur within these dates. All goods must be received and all services must be provided or delivered in time to substantially benefit the current grant period and in no case after the ending date of the grant. All equipment purchased with grant funds must be submitted and put into service before June 30, 2011.

An application will be effective on July 1, 2010, or on the date it is received in TEA in substantially approvable form, whichever is later.

Background Information

For definitions, see the eGrants glossary at http://maverick.tea.state.tx.us:8080/guidelines/ReferenceMaterials/705XXXXPP1300_G.pdf.

These funds shall be used to do the following:

- Integrate academics with CTE programs using a coherent sequence of courses
- Link CTE at the secondary and postsecondary levels.
- Provide students with strong experience in and understanding of all aspects of an industry.
- Develop, improve, or expand the use of technology in CTE programs.
- Provide professional development programs to teachers, faculty, administrators, and career guidance and academic counselors who are involved in integrating CTE programs.
- Develop and implement evaluations of the CTE programs carried out with funds, including an assessment of how the needs of special populations are being met.
- Initiate, improve, expand, and modernize quality CTE programs, including relevant technology.
- Provide services and activities that are of sufficient size, scope, and quality to be effective.
- Provide activities to prepare special populations for high-skill, high-wage, or high-demand occupations that will lead to self-sufficiency.

Texas Education Code (TEC) Chapter 28, Subchapter A; Chapter 29, Subchapter F; Chapter 42, Subchapter C; Section 42.154 Part II, Title 19, Texas Administrative Code (TAC), Chapters 74 and 75, the Carl D. Perkins Career and Technical Education Improvement Act of 2006, Title I, Part C. Code of Federal Regulations (CFR):

- 34 CFR, Part 76 General Requirements*
- 34 CFR, Part 80 Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*

- 34 CFR, Part 400 Vocational and Applied Technology Education Programs—General Provisions
- 34 CFR, Part 403 State Vocational and Applied Technology Education Program

*(where not superseded by the requirements of P.L. 109–270)

Eligibility and Technical Assistance

Eligible Applicants

To be eligible for Perkins funding, your organization must currently operate CTE programs in Texas that are of sufficient size, scope, and quality to be effective. Eligible recipients will be identified by TEA. Eligible recipients are local education agencies (LEAs), including open-enrollment charter schools, that enroll students in coherent sequences of CTE courses as demonstrated by prior-year Public Education Information Management System (PEIMS) fall enrollment data. Eligible recipients and other public educational entities may apply on behalf of and in coordination with an LEA. Each eligible recipient that receives a grant shall use such funds to develop new and improve existing CTE programs, with the full participation of individuals who are members of special populations.

Eligible recipients that meet or exceed the state level of performance for at least four out of five performance measures on Schedule **PS3350—Accountability** (1S1, 1S2, 3S1, 4S1, and 5S1) are eligible for an additional allocation (the Incentive Award).

Eligible recipients whose grant allotment is equal to or greater than \$15,000 must file an application to receive Federal funds. An eligible recipient whose grant allotment is less than \$15,000 may still participate in the grant allotment by forming a shared services arrangement (SSA) with other LEAs to meet the minimum grant requirement of \$15,000. See [Shared Services Arrangements](#).) Independent school districts must also join an SSA to apply for Perkins funding if they enroll fewer than ten students in coherent sequences of CTE courses. Charter schools must join an SSA to apply for Perkins funding if they enroll fewer than five students in a coherent sequence of CTE courses. This requirement applies even if the LEA is eligible for a Perkins allocation equal to or greater than \$15,000. An LEA may receive a waiver as a rural, sparsely populated area or as a charter school that is not able to join an SSA.

Federal funds may be used in support of CTE for students with disabilities (CTED) courses. For an organization to be eligible for contact hours in a CTED course, the admission, review, and dismissal (ARD) committee shall determine that services available through regular CTE courses are insufficient for the student to make satisfactory progress and shall ensure that the specialized services the student needs can only be provided in a CTED classroom.

Shared Services Arrangements

Shared Services Arrangements (consortiums, or SSAs) are allowed as part of the grant program.

A school district or charter school may choose to join or form an SSA with other school districts, charter schools, an education service center, or a postsecondary institution. *Districts or charter schools that join an SSA lose entitlement to their initial allocation; SSA funds must be used for*

purposes that are mutually beneficial to all members of the SSA. Each member of the SSA must conduct and submit a Program Effectiveness Report of its district's CTE programs.

See [SSA Use of Funds](#) for information on the proper use of SSA allocations.

Waiver from the \$15,000 Requirement and Coherent Sequence Threshold

LEAs that have a high school located at least 30 highway miles from the nearest neighboring high school campus and that can demonstrate that the high school is unable to enter into an SSA to provide services under the secondary school CTE program may apply for direct allocation of grant funds if they choose, even though their planning allocation is less than \$15,000. Charter schools eligible for less than \$15,000 may apply for a waiver of the \$15,000 requirement if they can demonstrate that they are unable to join an SSA.

Written Agreement

The SSA must have an agreement signed by all participants detailing how the SSA will function. As a minimum, the agreement should contain the following:

- identification of the entity that will be the administrative and fiscal agent that is authorized to receive and expend funds for the conduct of the project
- the membership of the SSA
- a description of the recourse the fiscal agent will have with the member districts if a refund results from monitoring or audit exceptions
- the final disposition of equipment, facilities, and materials purchased for this project should the SSA disband

Each SSA member must conduct and submit a Program Effectiveness Report of its SSA programs.

Fiscal Agent Responsibilities

Each SSA must include a fiscal agent, which is responsible for conducting various administrative duties. The fiscal agent may be a recipient of services under the arrangement or the administrator of the arrangement and not receive services. The fiscal agent usually performs the budgeting, accounting, and personnel responsibilities related to the arrangement.

The SSA fiscal agent is responsible for ensuring that funds are used in accordance with grant provisions. If the funds are not used in accordance with grant provisions or if other Federal requirements are not met, the fiscal agent is financially responsible to TEA for the consequences of instances of noncompliance (e.g., refunds due to TEA, withholding grant reimbursements), regardless of whether the fiscal agent has retained and expended grant funds on behalf of the SSA or flowed funds to member LEAs of the SSA. It is understood that the fiscal agent is responsible for the refund for any exception received as a result of monitoring or audit.

See the *Financial Accountability System Resource Guide* sections regarding management agent and fiscal agent responsibilities. In these guidelines, *shared services arrangement* and *shared services* have the same meaning. The Financial Accountability Resource Guide may be accessed from <http://www.tea.state.tx.us/index4.aspx?id=1222> .

Contacts for Clarifying Information

Any person wishing to obtain clarifying information about this application can contact the following TEA program and funding contacts:

Program Contact	Funding Contact
Vangie Stice-Israel State Director Career and Technical Education Division of Curriculum Texas Education Agency 1701 North Congress Avenue Austin, TX 78701 Phone: (512) 463-9581 Fax: (512) 463-8057 vangie.stice-israel@tea.state.tx.us Division of Curriculum Website http://ritter.tea.state.tx.us/cte/	Division of Formula Funding Texas Education Agency 1701 North Congress Avenue Austin, TX 78701 Phone: (512) 463-8525 Fax: (512) 463-7915 formulafunds@tea.state.tx.us

TEA CTE program staff are responsible for the districts, charter schools, and SSAs in specific ESC regions. Please contact the appropriate TEA CTE program staff for questions or technical assistance related to program review.

Division of Curriculum	
John Ellis, ESC 3, 8, 9, 10 (512) 463-9581 john.ellis@tea.state.tx.us	Esther Camacho, ESC 2, 4 (512) 463-9581 yolanda.camacho@tea.state.tx.us
Lucy Ybarra, ESC 5, 6, 7 (512) 463-9581 lucy.ybarra@tea.state.tx.us	Ron Whitson, ESC 1, 14, 20 (512) 463-9581 ron.whitson@tea.state.tx.us
Diane Salazar, ESC 11, 12, 17 (512) 463-9581 diane.salazar@tea.state.tx.us	Kathleen Park, ESC 13, 15, 16, 18, 19 (512) 463-9581 kathleen.park@tea.state.tx.us

See *Application Guidelines—Part 1: General and Fiscal Guidelines* for more detailed or additional information applicable to all TEA grant programs.

Program Information

Supplement Not Supplant

Funds for this program must be used to supplement (*increase the level of services*) and not supplant (*replace*) funds from nonfederal sources. Any program activity required by State law, State Board of Education (SBOE) rules, or local board policy may not be paid with these funds. State or local funds may not be decreased or diverted for other uses merely because of the availability of these funds. You must maintain documentation that clearly demonstrates the supplementary nature of these funds.

You may use Federal CTE funds only to supplement or increase the level of funds made available for the education of students participating on campuses or in programs using Federal CTE funds. *In no case may Federal CTE funds be used to supplant or replace nonfederal funds.* State and local funds may not be diverted for other purposes merely because Federal grant funds are available.

You could be considered in noncompliance with the supplement-not-supplant requirement if you use Federal CTE funds to provide services that you are required to provide under State or local law, rule, or a court order. Also, you could be considered in noncompliance for any expenditure of Federal funds for any service that, in the three prior years, has been funded with State or local funds.

Program Description, Purpose, and Goals

Address the project purpose, goals, and objectives below in **Schedules PS3012—Local Plan**. Attach additional pages in a separate document if more space is needed. Instructions for attaching documents in eGrants are located in the *eGrants User Guide*. The online document is available at this location:

[http://maverick.tea.state.tx.us:8080/guidelines/Reference Materials/705XXXXPP3000_I.pdf](http://maverick.tea.state.tx.us:8080/guidelines/Reference%20Materials/705XXXXPP3000_I.pdf)

LEAs must demonstrate in PERKAA11 that they are fulfilling the following nine requirements with Perkins funds or a combination of Perkins and other funds:

- Integrate academics with CTE programs using a coherent sequence of courses
- Link CTE at the secondary and postsecondary levels.
- Provide students with strong experience in and understanding of all aspects of an industry.
- Develop, improve, or expand the use of technology in CTE programs.
- Provide professional development programs to teachers, faculty, administrators, and career guidance and academic counselors who are involved in integrating CTE programs.
- Develop and implement evaluations of the CTE programs carried out with funds, including an assessment of how the needs of special populations are being met.
- Initiate, improve, expand, and modernize quality CTE programs, including relevant technology.
- Provide services and activities that are of sufficient size, scope, and quality to be effective.
- Provide activities to prepare special populations for high-skill, high-wage, or high-demand occupations that will lead to self-sufficiency.

Application Requirements

This section of the RFA describes all requirements that applicants must address in the application (i.e., through a narrative description, an activity timeline, a checklist, etc.). In some cases, applicants might be required to provide information in a certain format on a particular schedule. In those cases, the requirement will specify the schedule where applicants are required to provide information.

- An LEA located in a rural, sparsely populated area may be eligible for a waiver of the requirement for a \$15,000 minimum allocation if its high school is located at least 30 highway miles from the nearest neighboring high school campus and for that reason it is unable to enter into a SSA to provide services under the grant. Charter schools may also be eligible for a waiver if they are unable to join an SSA. If the district or charter school meets this criterion, complete **Part 3 of BS6003—Program Budget Summary and Support**.
- Provide local targets for performance on the Perkins performance measures, and if the local targets do not meet or exceed the state targets, explain the steps the LEA is taking to improve performance.
- Describe strategies to ensure equitable access to and participation in CTE programs.
- Provide a budget for use of Perkins funds.
- Describe how the LEA is meeting the nine requirements for use of Perkins funds.
- Provide a local plan for use of Perkins funds that provides the information specified in the application, including the following:
 1. Describe how the CTE programs will be carried out with funds received under this title.
 2. Describe how the CTE activities will be carried out with respect to meeting the State and local adjusted levels of performance.
 3. Describe how the eligible recipient will accomplish the following:
 - a. Offer the appropriate courses of not less than three CTE programs of study in three different career clusters.
 - b. Improve the academic and career and technical skills of students participating in CTE programs by strengthening the academic and CTE components through the integration of coherent and rigorous content aligned with challenging academic standards and relevant CTE programs to ensure learning in the core academic subjects and CTE subjects.
 - c. Provide students with strong experience in and understanding of all aspects of an industry.
 - d. Ensure that students who participate in CTE programs are taught to the same coherent and rigorous content aligned with challenging academic standards as are all other students.
 - e. Encourage CTE students at the secondary level to enroll in rigorous and challenging courses in core academic subjects.
 4. Describe how comprehensive professional development for CTE academic, guidance, and administrative personnel will be provided that promotes the integration of coherent and rigorous content aligned with challenging academic standards and relevant CTE.

5. Describe how parents, students, academic and CTE teachers, faculty, administrators, career guidance and academic counselors, representatives of tech prep consortia, representatives of business and industry, labor organizations, representatives of special populations, and other interested individuals are involved in the development, implementation, and evaluation of CTE programs, and how such individuals and entities are effectively informed about and assisted in understanding Perkins requirements, including CTE programs of study.
6. Assure that CTE programs will be of such size, scope, and quality to bring about improvement in the quality of CTE programs.
7. Describe the process that will be used to evaluate and continuously improve the performance of CTE students.
8. Describe how your organization will accomplish the following:
 - a. Review CTE programs and identify and adopt strategies to overcome barriers that result in lowering rates of access to or lowering success in the programs for special populations.
 - b. Provide programs that are designed to enable special populations to meet the local adjusted levels of performance.
 - c. Provide activities to prepare special populations, including single parents and displaced homemakers, for high-skill, high-wage, or high-demand occupations that will lead to self-sufficiency.
9. Describe how individuals who are members of special populations will not be discriminated against on the basis of their status as members of the special populations.
10. Describe how funds will be used to promote participation in nontraditional fields.
11. Describe how career guidance and academic counseling will be provided to CTE students, including linkages to future education and training opportunities.
12. Describe efforts to improve the following:
 - a. the recruitment and retention of CTE teachers, faculty, and career guidance and academic counselors, including individuals in groups underrepresented in the teaching profession
 - b. the transition to teaching from business and industry

Program Assurances

This section lists requirements that applicants are required to comply with in designing and administering their grant programs. These requirements are in addition to requirements listed in Part 1: General and Fiscal Guidelines and elsewhere in Part 2: Program Guidelines and Use of Funds.

No response to these requirements is required in the application. Instead, applicants are required to indicate that they have read these requirements and that in order to be considered for funding, the applicant agrees to comply with each requirement. The applicant indicates compliance with program requirements by checking the appropriate box for each requirement.

To the greatest extent allowable by State and Federal laws, regulations, rules, and policies, grants funded through this application should be designed and operated to assist school districts in improving student achievement. For programs funded under the NCLB Act, all activities conducted or performed by your organization must assist TEA and school districts in accomplishing the five performance goals established by the U. S. Department of Education (USDE) for the Act. See *NCLB Provisions and Assurances* accessible through eGrants Schedule **CS7000—Provisions, Assurances and Certifications**. Specific provisions and assurances pertaining to the individual grants included in this application are also accessible through the CS7000 schedule in the eGrants application for this grant program.

The Federal funds from this grant will be used by your organization to improve CTE programs, with the full participation of individuals who are members of special populations. Students who are members of special populations shall have access to CTE in the most integrated setting possible (for students with disabilities, the least restrictive environment). Notice of available funding will be posted on the TEA website. Go to <http://burlison.tea.state.tx.us/GrantOpportunities/forms>. Scroll to the **Formula Funding Toolbox** and select **Entitlements by Program**.

The applicant assures that it will comply with the provisions and assurances listed in the *Program-Specific Provisions and Assurances*.

Participatory Planning

Parents, students, academic and CTE teachers, faculty, administrators, career guidance and academic counselors, representatives of tech prep consortia, representatives of business and industry, labor organizations, representatives of special populations, and other interested individuals must be involved in the development, implementation, and evaluation of CTE programs, and such individuals and entities should be effectively informed about and assisted in understanding the requirements of this Act, including CTE programs of study.

Coordinating the Planning of the Application with the Local Advisory Council

The application for CTE funding (PERKAA11) should be planned and coordinated with the district's CTE local advisory council (LAC). Districts may plan the expenditure of Federal CTE funds and convene the LAC *before* preparing and submitting the application. Work papers and minutes of the LAC meeting may be retained on file in the district to document having planned the application in coordination with the LAC.

Required Attachments

Attachments will be required under the following conditions:

- If budgeted items will not all fit on the budget schedule (for example, if the LEA wants to purchase numerous capital outlay items), attach the **BS6003 Budget Addendum**.
- If the fiscal agent makes payments to SSA members, the fiscal agent must provide an attachment containing the amount of funding that will flow to each member of the SSA.

If attachments are required, see the *eGrants User Guide* for instructions on how to attach documents: http://maverick.tea.state.tx.us:8080/guidelines/ReferenceMaterials/705XXXXPP3000_I.pdf

Private Nonprofit School Participation

You are not required to report on private nonprofit school participation for this program.

Equitable Access and Participation

In accordance with Section 427 of the USDE General Education Provision Act (GEPA), you are required to report on equitable access and participation to apply for this grant program. Complete Schedule **PS3400—Equitable Access and Participation**, included in the eGrants application for this project.

If you offer or administer CTE programs and receive funds from the USDE, you must meet certain requirements applicable to a CTE program. TEA has the regulatory responsibility for ensuring that CTE programs in Texas public secondary schools are accessible to all students and is required to adopt a civil rights compliance program to identify, remedy, or prevent discrimination in the CTE programs operated by LEAs. The authority to conduct monitoring activities related to civil rights compliance in districts that provide CTE programs and accept Federal funds is found in the following:

- Guidelines for Eliminating Discrimination and Denial of Services on the basis of Race, Color, National Origin, Sex, and Handicap in Vocational Education Programs, March 21, 1979 (34 CFR, Part 100, Appendix B)
- Title VI of the Civil Rights Act of 1964 and implementing regulations (34 CFR Part 100) which prohibit discrimination on the basis of race, color, and national origin
- Americans with Disabilities (ADA) Act of 1990 and the implementation of 28 CFR, Part 35
- Title IX of the Education Amendments of 1972 and the implementation of 34 CFR, Part 106, which prohibit discrimination on the basis of gender
- Section 504 of the Rehabilitation Act of 1973 and implementing regulations (34 CFR Part 104) which prohibit discrimination on the basis of handicap
- the Age Discrimination Act of 1975 and implementing regulations (45 CFR Part 90) which prohibit discrimination on the basis of age
- Public Law 109–270, the Carl D. Perkins Career and Technical Education Act of 2006

Nontraditional Programs

The district/SSA should provide CTE programs and instruction for students enrolled in CTE courses that are nontraditional for their gender. Every effort is to be made to eliminate sex bias and stereotyping in curriculum, instruction, and services. Materials and practices (instructional and counseling) should be reviewed for gender equity. If materials or practices are determined to be biased toward either gender, the district/SSA should establish and implement a plan that will eliminate sex bias and stereotypical practices.

In-Service Training for Meeting the Needs of Special Populations

The district should provide in-service training for all CTE teachers to upgrade their teaching skills so that they can better serve the needs of students who are members of special populations.

Federally Assisted Programs

The major portion (at least 85%) of Federal CTE funds available to the State of Texas will be distributed to school districts and other eligible applicants based on a mandated formula using criteria prescribed by Federal statute and the SBOE.

Performance Measures and Program Evaluation

By submitting this application the applicant agrees to comply with any reporting and evaluation requirements that may be established by TEA and agrees to submit the reports in the format and time requested by TEA. TEA will collect and analyze data available from PEIMS where possible.

You are required to provide a Program Effectiveness Report by August 15, 2011. You are not in compliance with grant conditions and requirements until this report is received by TEA. The final 10% of the district's funding will be withheld pending receipt of the Program Effectiveness Report, Final Expenditure Report, and (if applicable) Performance Based Monitoring intervention data. Eligibility to receive future grants—including continuation grants—from TEA may be impacted by such noncompliance.

You shall agree to accept the State's secondary adjusted levels of performance as local adjusted levels of performance or to negotiate with TEA to reach agreement on new local adjusted levels of performance for each of the core indicators of performance for CTE activities. The levels of performance established shall, at minimum, meet these requirements:

- be expressed numerically, so as to be objective, quantifiable, and measurable
- require your organization to continually make progress toward improving the performance of CTE students

The following performance measures are applicable to this project:

- 1S1—Academic Attainment—Reading/Language Arts
- 1S2—Academic Attainment—Mathematics
- 2S1—Technical Skill Attainment
- 3S1—Secondary School Completion
- 4S1—Student Graduation Rates
- 5S1—Secondary Placement
- 6S1—Nontraditional Participation
- 6S2—Nontraditional Completion

Type the information requested for each performance measure listed in Schedule **PS3350—Accountability**.

Amendments

An amendment is a document requesting changes to budgetary or programmatic elements previously approved by TEA. The amendment deadline for the application PERKAA11 is May 2, 2011. An amendment can be submitted only after the original application has been approved and the NOGA awarded.

Districts will not be required to amend their applications to apply for reallocation funding. TEA will amend district budgets by adding reallocation funding to the LEA's Perkins eGrants budget. Districts will receive their amended NOGAs electronically. If an amendment generated by TEA does not accurately represent a district's budget for reallocation funds, the district may submit a new amendment.

An amendment must be approved by TEA before the grantee implements any related activities, such as adding personnel, issuing purchase orders, encumbering or expending funds, receiving goods, or rendering services, which are affected by the amendment.

Amendments received in substantially approvable form will become effective on the date received (official stamp-in date) by the Division of Formula Funding at TEA.

When approved, applicants will receive e-mail notifying them that the amended NOGA is available online.

Funds may be transferred between major objects of expenditures (for example, class/object code 6200 or 6300) budgeted on Schedule **BS6003—Program Budget Summary and Support**, without an amendment if the cumulative total transferred does not exceed 25% of the total current approved budget and funds are already budgeted in the class/object codes involved.

Funding Information

Application Funding

The total budget for this project shall not exceed your Perkins allocation.

TEA reserves the right to reduce funding if projections are determined not to have been realistic based on actual participation. Should additional funds become available for distribution, the commissioner will determine how these are to be distributed.

Cash Management

Administrative requirements for grants stipulate that you must request cash as close as possible to the time of making disbursements. You should not have more cash on hand than is necessary to meet three days' cash needs. See the *General and Fiscal Guidelines* section on Cash Management.

Thresholds

Thresholds are established for each grant program to allow for the automatic approval of payments as long as the payments are within the established thresholds. See the *General and Fiscal Guidelines* section on Thresholds.

Note that for any payment request in ER exceeding the threshold, TEA reserves the right to request additional supporting documentation including but not limited to the General Ledger, Payroll Ledger, and copies of payroll checks, invoices, receipts, and travel vouchers before authorizing payment.

State Funding

State CTE Allotment

LEAs may use state funds in combination with Perkins funds to fulfill Perkins requirements. State funds for CTE will be distributed to school districts on the basis of the number of contact hours generated by eligible students enrolled in CTE during the entire school year. Courses offered will be funded by the allotment for which they are eligible. Innovative courses require written approval from TEA for the district to receive the CTE allotment for which they are eligible. All rules for State contact hours are in the Student Attendance Accounting Handbook, which can be downloaded from <http://ritter.tea.state.tx.us/school.finance/handbook/index.html>.

The Summary of Finances 2010–2011 School Year provided by the Division of State Funding will reflect the *State CTE allotment* for each LEA. Districts can access their Summary of Finances on the TEA website at <http://ritter.tea.state.tx.us/school.finance/funding/sofweb3.html>. Except for funds used for State indirect costs, State funds must be spent on authorized CTE programs, services, and activities. Any unexpended State funds from the 2009–2010 school year may be returned to TEA or carried over to the 2010–2011 year, but if they are retained, the funds must be expended on CTE during the 2010–2011 school year. State funds carried over to a subsequent school year are not eligible for the State indirect cost allotment and should be expended before the 2010–2011 State funds.

Expenditure of State CTE Funds

Charge State-weighted funds expended for CTE programs that received CTE-weighted funding to the PEIMS Program Intent Code 22. Charge State-funded expenses for nonweighted CTE courses, including middle school CTE courses that are not for the disabled, to Program Intent Code 11. State-weighted CTE funds may not be expended for middle school CTE courses (Grades 6–8) unless the

courses are CTED. Districts operating middle grade CTE courses that are not for disabled students must expend either the foundation funds generated by these courses or local funds. You may charge CTED middle grade course expenses to Program Intent Code 22. For more information, contact the Division of School Finance at (512) 463-9238, or send an email to finance@tea.state.tx.us, or visit <http://ritter.tea.state.tx.us/school.finance/index.html>.

Use of Funds

The Carl D. Perkins Career and Technical Education Improvement Act of 2006, Public Law (P.L.) 109-270, Title I, Part C, authorizes expenditures for programs that develop more fully the academic and career and technical skills of secondary education students who elect to enroll in CTE programs.

Funds expended through this project must be used for those purposes described in the [Program Description, Purpose, and Goals](#) and in the [Program Assurances](#) sections of these guidelines. Applicants may elect to use additional resources and other sources of financial support to help maximize the effectiveness of the project goals and objectives. Applicants are strongly encouraged to coordinate federal, state, and local programs to eliminate duplication of resources. Information on allowable and unallowable use of funds appears below. See additional information on the use of funds in the Schedule Instructions, accessed via the **Instructions** button located at the top right of the budget schedule. Also refer to the [Guidelines Related to Specific Costs](#).

Program funds shall not be obligated for expenditure before the effective date of the application or after the ending date of the program. Funds may be requested only for those items that are reasonable and necessary for accomplishing the objectives of the program as defined in this RFA and for implementing activities as described. All goods must be received and all services must be provided or delivered in time to substantially benefit the current grant period and in no case after the ending date of the grant. In most instances, goods or services delivered near the end of the grant period are viewed by TEA as not necessary to accomplish the objectives of the current grant program and TEA may disallow the expenditures.

In general, the budget schedules must evidence both of the following:

- Project costs are reasonable in relation to expected outcomes:
 - The amount requested might realistically be expected to have an impact on the stated needs.
 - The expected outcomes are sufficient to justify the amounts requested.
- The program will identify and coordinate funding from several sources.
- All expenditures are pertinent to and appropriate for the objectives and activities stated.

Allowable Activities and Use of Funds

Refer to the instructions for the specific SAS schedules for additional guidance pertaining to allowable and unallowable costs. Also refer to [Guidelines Related to Specific Costs](#) for a summary of certain unallowable costs.

In addition to the required use of funds, school districts may use Perkins funds to do the following:

1. Involve parents, businesses, and labor organizations as appropriate in the design, implementation, and evaluation of CTE programs, including establishing effective programs and procedures to enable informed and effective participation in CTE programs.
2. Provide career guidance and academic counseling for students participating in CTE programs that do the following:

- a. Improve graduation rates and provide information on postsecondary career options—including baccalaureate degree programs—for secondary students, which may include the use of graduation and career plans.
- b. Provide assistance for postsecondary students, including adult students who are changing careers or updating skills.
3. Provide support for local education and business partnerships, including for the following:
 - a. work-related experiences for students, such as internships, work-based learning, school-based enterprises, entrepreneurship, and job shadowing that are related to CTE programs
 - b. adjunct faculty arrangements for qualified industry professionals
 - c. industry experience for teachers and faculty
4. Provide programs for special populations.
5. Assist career and technical student organizations (CTSOs).
6. Provide mentoring and support services.
7. Lease, purchase, upgrade, or adapt equipment, including instructional aids and publications (including support for library resources) designed to strengthen and support academic and technical skill achievement.
8. Provide teacher preparation programs that address the integration of academic and CTE and that assist individuals who are interested in becoming CTE teachers and faculty, including individuals with experience in business and industry.
9. Develop or expand postsecondary program offerings at times and in formats, including through the use of distance education, that are accessible for students, including working students.
10. Develop initiatives that facilitate the transition of CTE students into postsecondary education technical programs, including the following:
 - a. articulation agreements
 - b. dual and concurrent enrollment programs
 - c. academic and financial aid counseling for CTE students
 - d. other initiatives as follows:
 - i. to encourage postsecondary education
 - ii. to overcome barriers to enrollment, including geographic and other barriers affecting rural students and special populations
11. Provide activities to support entrepreneurship education and training.

12. Improve or develop new CTE courses, including new proposed CTE innovative courses and programs of study for consideration by TEA; courses that prepare individuals academically and technically for high-skill, high-wage, or high-demand occupations; and dual and concurrent enrollment opportunities by which CTE students at the secondary level could obtain postsecondary credit to count towards an associate or baccalaureate degree.
13. Develop and support small, personalized career-themed learning communities.
14. Provide support for family and consumer sciences programs.
15. Provide CTE programs for adults and school dropouts to complete their secondary school education or upgrade their technical skills.
16. Provide assistance to individuals who have participated in CTE programs in continuing their education or training or finding an appropriate job, such as through referral.
17. Support training and activities (such as mentoring and outreach) in nontraditional fields.
18. Provide support for training programs in automotive technologies.
19. Pool a portion of such funds with a portion of funds available to not less than one other eligible recipient for innovative initiatives, which may include the following:
 - a. improving the initial preparation and professional development of CTE teachers, faculty, administrators, and counselors
 - b. establishing, enhancing, or supporting systems for the following:
 - i. accountability data collection for Perkins
 - ii. reporting data required by Perkins
 - c. Implement career and technical programs of study and career clusters.
 - d. Implement technical assessments.
20. Support other CTE activities that are consistent with the purpose of the Carl D. Perkins Act.

Examples of Allowable Uses of Perkins Funds

In general, see [Appendix C: Basic Guidelines for Allowable Costs and Cost Principles](#) and [Guidelines Related to Specific Costs](#).

Following are examples of allowable uses of Perkins funds:

- salary for additional counseling personnel to provide a comprehensive career guidance and counseling program where such a program has not been previously provided or to expand and improve the delivery of such a program
- acquisition of equipment, print, visual, and audio career-guidance resources for use by the counseling team in the delivery of career-development guidance and counseling
- implementation of a career information center organized and administered by a certified counselor, including the acquisition of a career information delivery system (CIDS), career

resource materials, career videotapes or CDs, and other career-guidance and placement materials

- acquisition of equipment, instructional materials, and resources for the delivery of instruction in career-orientation programs
- travel for counselor and career-orientation staff development activities directly related to career guidance and placement activities
- linguistically appropriate CTE programs, services, and activities for individuals, both secondary and adult, who are members of special populations
- appropriate supplementary services—including curriculum modification, equipment modification, supportive personnel, instructional aids and devices, childcare, and transportation—for students who are members of special populations
- career counseling and instructional activities designed to facilitate transition from work-based learning or postsecondary education activities for students who are members of special populations
- a special populations coordinator, paid in whole or in part with Federal funds, who is a certified counselor or teacher, to ensure that individuals who are members of special populations are receiving adequate services and occupational skill training
- development and acquisition of curriculum materials that include the essential knowledge and skills as established by the SBOE for CTE
- acquisition of new or improved instructional resources
- modification or upgrade of equipment to meet current business and industry specifications
- in-service training of both academic and CTE teachers to integrate academic and career and technical skills

The focus of this training will be to develop linguistically appropriate and culturally sensitive methodologies for serving students who are members of special populations.

- supplemental accelerated instruction for students enrolled in CTE programs when such programs are designed to meet the special needs of and enhance the participation of individuals who are members of special populations
- CTE programs that are strongly tied to economic development efforts in the State
- programs for both secondary and adult students that address all aspects of an industry in high-skill, high-wage, or high-demand occupations
- acquisition of new materials promoting nontraditional fields
- provisions of education and training through arrangements with private CTE training institutions, private postsecondary educational institutions, employers, labor organizations, and apprenticeship programs whenever such institutions, employers, labor organizations, or programs can make a significant contribution to accomplishing the objectives of the State plan and can provide substantially equivalent training at a lesser cost or can provide equipment or services not available in public institutions
- in-service activities for training sponsors from business and industry
- support for the development and implementation of CTE programs of study and career clusters (i.e., the work of CTE and academic teachers in implementing relevant CTE programs of study for students)

- administrative costs (limited to 5% of total expenditures, including direct administrative costs and indirect costs)
- allowable travel expenses (see Travel)
- acquisition of career interest and aptitude assessment materials and scoring costs, if applicable
- recruitment and affirmative outreach activities to assure access to quality CTE programs in the most integrated setting possible for students who are members of special populations
- acquisition of learning styles inventories and scoring costs, if applicable
- acquisition of new state-of-the-art instructional equipment
- work-based learning programs, i.e., internship, joint programs, services and activities with community-based organizations, and apprenticeship programs

Funds may not be used to pay students when they are employed by and receiving training from a private business or organization.

- acquisition of linguistically appropriate assessment and other CTE instructional and supportive materials for individuals with limited English proficiency
- services required in an individualized educational plan (IEP) developed pursuant to Sections 1412, 1414, and 1415 of the Individuals with Disabilities Education Act
- services necessary to meet the requirements of Section 504 of the Rehabilitation Act of 1973 with respect to ensuring equal access to CTE programs
- travel for in-service training for both academic and CTE teachers and other teachers providing instruction to students who are enrolled in CTE programs when the in-service training is related to integrating academic and CTE

Federal funds also may be used to support travel for staff accompanying students attending CTE leadership activities above the local district level.

SSA Use of Funds

Funds allocated to SSAs shall be used for Perkins-eligible purposes and programs that are mutually beneficial to all members of the SSA. Fiscal agents may not reallocate funds to individual members of the consortium for purposes or programs benefiting only one member of the SSA. The action of flowing funds back to members of the consortium for purposes that are only beneficial to individual members does not constitute compliance with the “mutually beneficial purposes and programs” requirement.

Funds in the SSA must be used for programs that are of sufficient size, scope, and quality as to be effective, integrate academic and CTE, provide CTE programs of study for students, and provide *equitable participation* for students who are members of special populations.

Payments to members of SSAs must not equal the released amount of funds contributed by members to the SSA and may not be used to benefit only one member of the SSA.

Examples of Mutually Beneficial Uses of Perkins Funds by SSAs

Following are examples of mutually beneficial programs that may be offered by SSAs:

- Employ counselors to provide career development, guidance, and counseling programs to all students within the SSA

- Employ a full- or part-time special populations coordinator to work directly with individuals who are members of special populations to ensure services or job-specific training for such students on the campus of each member of the SSA
- Establish a common site for offering CTE courses. This goal could be accomplished in one or more of the following ways:
 - Establish a separate campus
 - Provide career programs of study and CTE courses on one campus that could serve students from each member of the SSA
 - Establish a different coherent sequence of courses by several members of an SSA

A teacher or teachers could then teach the sequence of courses by moving from campus to campus

- Enhance and expand connections to tech prep, certifications for students, activities for career planning and guidance, and integration of CTE with academics
- Provide CTED services at a central location for special-needs students enrolled in SSA member districts
- Provide or expand career-investigation programs at member districts
- Increase student industry certifications and implementation of career clusters through alignment of coherent sequences with UDSE career clusters
- Establish a career guidance center with a career-information delivery system for all member districts

Aptitude and interest inventory assessments will be purchased for and utilized by students.

- Audit and upgrade CTE programs to meet industry and articulation standards
- Increase the number of industry certifications for teachers
- Implement a career-guidance program and training for students to create a college-going culture and career research and testing options
- Employ a full-time seamless transition coordinator to work directly with members of the SSA on PEIMS coding and articulation agreements, and strengthen the academic and technical skills of career and technical students
- Develop shared CTE materials access for students of member districts
- Enhance connections with postsecondary institutions, including dual credit and tech prep opportunities; implement or improve industry certification programs
- Establish and expand CTE distance-learning opportunities for member districts
- Provide supplemental accelerated instruction for students enrolled in CTE programs when such programs are designed to meet the special needs of and enhance the participation of individuals who are members of special populations

See [Guidelines Related to Specific Costs](#) for additional allowable expenditures.

Other Use of Funds

Building Use Fee

Space utilization recovery charges for any grant authority funded in this application must be at a rate no greater than two percent of the acquisition cost in accordance with the provisions in the applicable

Office of Management and Budget (OMB) Circular. The charge is to be prorated based on actual space utilized. *You must maintain sufficient documentation to support charges incurred.* Grants funded through this application cannot be charged for space utilization of hallways, restrooms, reception areas, or other common use areas.

Cost of Equipment Insurance

The actual cost of insurance for equipment purchased with funds granted in this application may be charged as a direct cost to the grant through which the equipment was acquired so long as the insurance costs are not contained in any other comprehensive casualty insurance that may be held by your organization.

Purchase, Use, Management, and Disposition of Equipment

There are two class/object code classifications for equipment. Class/object code **6630** must be used for an article of equipment having an acquisition cost of \$5,000 or more. Class/object code **6640** is for an article of equipment that has an acquisition cost of less than \$5,000, has a useful life of more than one year, is controllable, and is placed on an inventory (is capitalized) pursuant to local policy. You have the option of coding all purchases of personal property costing less than \$5,000 as class/object code **63XX** (supplies and materials) if you choose not to control the property through inventory and if your district does not capitalize equipment costing less than \$5,000. This choice is a local option but must be consistent with local policy.

Purchase of Equipment

When Federal CTE funds are to be used, wholly or in part, to purchase an article of equipment, you must obtain prior approval from TEA, regardless of the cost of the equipment. Equipment with a purchase price of less than \$5,000 is itemized in Schedule **BS6003—Program Budget Summary and Support** either in **Part 6** (Supplies and Materials) or in **Part 9** (Capital Outlay) depending on the district's policy for determining capitalized expenditures. Equipment with a unit cost of \$5,000 or more must be capitalized and budgeted in **BS6003, Part 9**. You must complete Schedule **BS6003—Program Budget Summary and Support, Capital Outlay 6600** (exclusive of **6619** and **6629**) or **Supplies and Materials 6300** when submitting the initial application (PERKAA11) or submit an amended **BS6003—Program Budget Summary and Support** after the initial application.

Equipment is approved on a quantity basis based upon justification in the application. Therefore, additional items cannot be purchased without amending PERKAA10, Schedule **BS6003—Program Budget Summary and Support**.

Note: All amendments for equipment must be received by TEA on or before Friday, April 1, 2011. Any request for approval received after the due date will not be considered unless there is an emergency situation or extenuating circumstance that has been fully justified in the amendment.

Use of Equipment

Equipment purchased with Federal CTE funds, when not being used to carry out the purpose of the Act for which it was purchased, may be used for non-CTE purposes if such usage does not interfere with the use of that equipment for CTE purposes, if the usage does not add to the cost of using that equipment, and if the acquisition of the equipment was reasonable and necessary for the purpose of conducting a properly designed project or activity under the secondary school CTE program or the adult CTE program.

When no longer needed for the CTE course for which it was purchased, the district shall use the equipment, if needed, in the following order:

1. other Federal CTE courses (not locally or State funded)
2. projects currently or previously sponsored by the USDE
3. projects currently or previously sponsored by other Federal agencies

If equipment is traded in for other CTE equipment rather than sold, the proceeds from the trade-in shall be applied to the purchase of the new or refurbished equipment. (For exceptions, see [Disposition of Equipment](#) for items with a purchase price of more than \$5,000.)

Management of Equipment

At a minimum, procedures for managing equipment, whether acquired in whole or in part with Federal funds, shall meet the following requirements:

1. Property records must be maintained that include a description of the property; a serial number or other identification number; the source of property; the name of the title holder; the acquisition date and cost of the property; percentage of Federal participation in the cost of the property; the location, use, and condition of the property; and any ultimate disposition data, including the date of disposal and sale price of the property.
2. A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.
3. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated.
4. Adequate maintenance procedures must be developed to keep the property in good condition.
5. If you are authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

Disposition of Equipment

If equipment can no longer be used in accordance with these guidelines, it shall be disposed of as follows:

1. **Items of equipment with a current per item fair market value of less than \$5,000:** these items may be retained, sold, or otherwise disposed of with no further obligation to TEA and the inventory can be adjusted appropriately.
2. **Items of equipment with a current per unit fair market value of \$5,000 or more:** you must request disposition instructions from TEA; these items may be retained or sold, and the current Perkins grant must be credited with an amount calculated by multiplying the current market value or proceeds from sale by TEA's share of the equipment.

Accounting procedures for equipment are found in the TEA Financial Accountability Resource Guide, Procedure No. ACT-305.

Travel

Federal funds may be used to support travel for in-service training and workshops on the integration of CTE and academic curriculum for both CTE and academic teachers when the in-service training or integration is related to CTE. Federal funds also may be used to support travel *for staff* accompanying students attending CTE student leadership activities above the local district level. Perkins funds cannot be used for student travel to leadership activities or competitions.

You may reimburse an employee who travels within the State of Texas with an overnight stay away from designated headquarters for *actual* meals and lodging expenses not to exceed the State maximum allowable, or local policy, whichever is less. The reimbursement for lodging expenses may not exceed actual expenses or the federal rate for the locale, whichever is less. The tax charged on lodging does not have to be considered a part of the lodging cost and may be reimbursed as an incidental expense. An official lodging receipt must be attached to the travel voucher. Meal receipts are not required, but reimbursement is limited to actual expenses, not to exceed the federal rate for the locale.

Reimbursement on the quarterly system (six hours per quarter) is no longer authorized. Refer to the *Guidelines Related to Specific Costs* for more information.

Partial per diem is allowable without an overnight stay away from the designated headquarters for actual meal expenses if the employee is away from designated headquarters for at least six consecutive hours. Designated headquarters is defined as the area within your school district boundaries.

You may reimburse an employee traveling outside the State of Texas but within the continental United States for actual meals and lodging expenses. However, the reimbursement may not exceed the rates specified in the Federal travel regulations for the location to which the employee travels. Obtain these rates for a specific state by contacting the Comptroller of Public Accounts, L.B.J. State Office Building, Austin, Texas 78701, (512) 475-0966, or <http://www.window.state.tx.us/>.

The standard mileage rate for the 2010–2011 school year is 50.0 cents per mile, or local policy, whichever is less.

When two or more employees share lodging, you shall reimburse each employee for his or her share of the actual lodging expense, not to exceed the maximum lodging rate.

These guidelines apply to reimbursement for travel with Federal CTE. Travel paid from Federal CTE funds must be used to improve, not maintain, CTE programs, services, and activities. You may establish and reimburse the traveler at a higher rate than the authorized State rate provided the additional cost is paid with local funds. If you adopt lower rates than the State rate, the lower rate must be used.

Districts may *not* use funds from the grant, which ends June 30, 2011 (the closing date for the Perkins grant), to pay the advance registration fee for an allowable conference or other allowable event that occurs after June 30, 2011, unless onsite registration is not available. Districts may not use funds from the Perkins grant, which ends on June 30, 2011, to pay for hotel, airline, meals, or other travel-related expenses that occur in the 30-day period that ends July 30, 2011. 34 CFR Subtitle A, Section 75.707, states that obligations for travel occur when the travel is taken. For example, expenses for travel that begins on or before June 30, 2011, and ends on or after July 1, 2011, must be prorated between the two grant years spanned by the travel.

Requirements for Receipt of Perkins Funds

Each eligible recipient that receives an allotment under the grant shall use such funds to improve CTE programs. Funds made available under this grant shall be used to provide CTE programs that accomplish the following:

1. Strengthen the academic and career and technical skills of students participating in CTE programs by strengthening the academic and CTE components of such programs through the integration of academics with CTE programs using a coherent sequence of courses, such as CTE programs of study, to ensure learning in the following:
 - a. the core academic subjects
 - b. CTE subjects

2. Link CTE at the secondary and postsecondary level, including offering the relevant elements of not less than three CTE programs of study.
3. Provide students with strong experience in and understanding of all aspects of an industry, which may include work-based learning experiences.
4. Develop, improve, or expand the use of technology in CTE, which may include the following:
 - a. training CTE teachers, faculty, and administrators to use technology, which may include distance learning
 - b. providing CTE students with the academic and career and technical skills (including mathematics and science knowledge that provides a strong basis for such skills) that lead to entry into the technology fields
 - c. encouraging schools to collaborate with technology industries to offer voluntary internships and mentoring programs that improve the mathematics and science knowledge of students
5. Provide professional development programs to teachers, faculty, administrators, and career guidance and academic counselors who are involved in integrated CTE programs, including the following:
 - a. in-service and preservice training on the following:
 - i. effective integration and use of challenging academic and CTE provided jointly with academic teachers, to the extent practicable
 - ii. effective teaching skills based on research that includes promising practices
 - iii. effective practices to improve parental and community involvement
 - iv. effective use of scientifically based research and data to improve instruction
 - b. support of education programs for teachers of CTE who are involved in the direct delivery of educational services to CTE students, to ensure that such teachers and personnel stay current with all aspects of an industry
 - c. internship programs that provide relevant business experiences
 - d. programs designed to train teachers specifically in the effective use and application of technology to improve instruction
6. Develop and implement evaluations of the CTE programs carried out with funds, including an assessment of how the needs of special populations are being met.
7. Initiate, improve, expand, and modernize quality CTE programs, including relevant technology.
8. Provide services and activities that are of sufficient size, scope, and quality to be effective.

9. Provide activities to prepare special populations, including single parents and displaced homemakers who are enrolled in CTE programs, for high-skill, high-wage, or high-demand occupations that will lead to self-sufficiency.

The nine requirements for eligible recipients of Perkins funding may be fulfilled entirely with Perkins funding or with a combination of Perkins and other funding sources. All nine required uses of funds must be fulfilled for a district to receive Perkins funds.

Unallowable Use of Funds

The following activities and use of funds may include but are not limited to the following:

- Audit services for state-funded grants
- Construction, renovation, or remodeling of facilities
- Payment for students who are employed by and receiving training from a private business or organization

See Application Guidelines—Part 1: General and Fiscal Guidelines for more information regarding the use of funds and the Schedule Instructions for the individual application schedules for additional guidance pertaining to allowable and unallowable costs. Program funds shall not be obligated for expenditure before the effective date of the application or after the ending date of the program.

Examples of Unallowable Uses of Perkins Funds

- academic remediation for CTE students, including Texas Assessment of Knowledge and Skills (TAKS) remediation
 - any purchase order or other encumbrance or obligation placed before the approved project beginning date or after the ending dates of the grant
 - any goods or services received before the beginning date of the project (July 1, 2010) or after the ending date of the project (June 30, 2011)
 - equipment received before June 30, 2011, and installed after June 30, 2011 is not an allowable expenditure
 - items prohibited by supplement-not-supplant requirements
 - any purpose that was previously funded with nonfederal funds
- Perkins funds may be used to supplement (increase the level of services) but not supplant (replace) funds from nonfederal sources.

- in-state travel or per diem in excess of State rates (not to exceed *actual* costs); out-of-state travel in excess of Federal government rates for the locale (also not to exceed *actual* costs)
- travel that is required by SBOE rules or that does not improve the program (in-district to visit projects or homes, training station visits, etc.)
- travel and/or registration fees for students who attend CTSO leadership activities
- an article of equipment that did not have prior approval from TEA
- student organization and membership dues
- alcoholic beverages
- construction, renovation, or remodeling of facilities, including construction supplies
- field trips

- furniture
- consumable supplies, defined as items that are expected to be used within a short period of time, such as office supplies, paper, computer supplies, building and maintenance supplies, and laboratory supplies
- motorized vehicles
- trailers
- expenditures for teacher bonuses
- food costs
- work-study programs
- payment with 2010-2011 Perkins funds for travel or registration fees for events that occur before July 1, 2010
- pre-payment with 2010-2011 Perkins funding of travel or registration fees for events that occur after June 30, 2011
- reimbursement of personal expenditures incurred before June 30, 2011, for travel or registration fees for events that occur after June 30, 2011
- membership fees in professional or social organizations for individual staff
- insurance coverage for students

Reallocation of Carl D. Perkins Career and Technical Education Funds

Federal funds that are not applied for as of September 1, 2010, will be reallocated by formula during the late fall of 2010 for use by school districts or consortia with approved 2010-2011 Perkins applications. It will not be necessary for LEAs to amend their Perkins applications to receive reallocation funding.

Retention of Records

You must retain records for a period of five years after the ending date of the grant.

Limitation of Administrative Funds

The authorizing statute limits the amount of funds that may be budgeted to administer the program to no more than 5% of the total grant awarded for any fiscal year. Funds requested for administrative use must be requested in the application on the appropriate budget schedules.

Administrative funds include both ***direct administrative costs and indirect costs***. For Perkins, indirect costs may be requested at an amount not to exceed 5% or your approved federal indirect cost rate, whichever is less.

Direct administrative costs may include costs associated with accounting and other fiscal activities and auditing, provided these costs are not typically included in the indirect cost pool, and overall program administration. Direct administrative costs also include salaries and benefits for staff who supervise activities of program staff and insurance that protects the grantee. Refer to the SAS instructions for Schedule **BS6003—Program Budget Summary and Support** for more detailed information pertaining to administrative costs.

A district's or ESC's approved restricted indirect cost rate on file with TEA may be applied to Federal expenditures for object codes 61XX–64XX. Indirect cost must be taken from the district's allocation

and is not in addition to the approved allocation. Fiscal agents may not collect indirect costs on payments to member districts (SSA funds). Administrative costs, which include indirect costs, cannot exceed 5% of the Federal allocation [Section 135(d)]. You are not required to budget indirect costs in the application in order to charge indirect costs to the grant but you must budget any direct administrative costs.

You must have a TEA-approved indirect cost rate to claim indirect costs. Indirect cost rates change annually and are effective from July 1 of the current year to June 30 of the following year. “Restricted” indirect cost rates must be used to calculate indirect costs. For assistance with the LEA’s indirect cost rate, contact the Division of Financial Audits at 512-463-9095. See [Appendix D: Indirect Cost Calculation](#) for help on calculating indirect cost.

Required Reports

Report Due Dates

By submitting the application, the applicant agrees to comply with any reporting and evaluation requirements that may be established by TEA and to submit the reports in the format requested by TEA.

Activity, Progress, and Evaluation Reports

Reports will be due to TEA as follows:

Progress/Compliance Reports		
Report	Reporting Period	Due Date
Program Effectiveness Report	7/1/10–6/30/11	8/15/11

The grantee must provide a final evaluation report in the format requested by TEA within 45 days after the end of the project. The grantee is not in compliance with grant conditions and requirements until such time as this report is received by the TEA Project Administrator. Final payment may be withheld pending receipt of the report. Eligibility of the grantee to receive future grants, including continuation grants, from TEA may be impacted by such noncompliance. The Program Effectiveness Report will be due on August 15, 2011.

Expenditure Reports

Expenditures must be reported by class/object code in ER. Unless otherwise specified, grantees in good standing are required to request payment through the automated ER system. The applicant agrees to report in ER at the time the applicant requests each payment. Grantees are encouraged to draw down funds at least monthly to avoid the impression that activities are not occurring or that funds are not being expended. The final expenditure report must be filed in ER within 30 days after the ending date of the grant. Final payment is contingent upon receipt of the final expenditure report in ER and all required programmatic reports or documents. TEA reserves the right to withhold a portion of the final payment pending receipt of the required reports.

Thresholds are established for each grant program to allow for the automatic approval of payments as long as the payments are within established thresholds. Refer to Part 1: General and Fiscal Guidelines for information pertaining to requests for payments through ER and for information pertaining to thresholds.

Expenditure Reports		
Report	Reporting Period	Due Date
Final Expenditure Report	7/1/10–6/30/11	7/31/11
Revised Final Expenditure Report*	7/1/10–6/30/11	8/31/11

*Final payment is contingent upon receipt of all required programmatic and financial reports and documents. TEA reserves the right to withhold a portion of the final payment pending receipt of the required reports. The total project cumulative costs of the grant should equal but in no case may exceed the total cumulative expenditures reported.

Refer to the Expenditures Report section of Part 1: General and Fiscal Guidelines for specific information related to expenditure reports and revised expenditure reports.

Documenting Career and Technical Education Expenditures

Share these guidelines with the district business manager to assure proper accounting of Federal and nonfederal funds. Commingling of nonfederal and Federal funds without separate accountability is not allowed under any circumstances. You must comply with the requirements in FAR Guide (<http://www.tea.state.tx.us/index4.aspx?id=1222>) and in 34 CFR 80.20.

As a minimum, each district that receives Federal CTE funds must establish Fund 244 for grant funds. The fiscal agent of an SSA must establish Fund 331 for the grant funds of the SSA. If the fiscal agent is flowing funds to member districts of the SSA, the member district must record its expenditures in Fund 244.

The Catalog of Federal Domestic Assistance (CFDA) Identification Number for the grant is 84.048A.

Expenditures or expenses shall be classified by fund, function, object, subobject (optional), organization, and program code according to the requirements in FAR.

Reporting Expenditures of Federal Funds

LEAs, ESCs, and open-enrollment charter schools may no longer receive a cash advance. See [Appendix B: Expenditure Reporting](#) for instructions on accessing the online ER system.

Reimbursement for the CTE Perkins Grant is based on actual expenditures and is limited to 34% of the budget if reported before October 1, 2010. After October 1, reimbursement may be accessed as expended for up to 90% of the total budget. This grant reserves 10% of the NOGA amount or 10% of the final expenditure amount (if less than the NOGA amount) pending satisfactory completion of all fiscal and programmatic requirements. The remaining 10% will be released automatically when the following reports are submitted:

- the final expenditure report, which is due July 31, 2011; the revised final expenditure report, due August 31, 2011

No revised final expenditure reports will be accepted after August 31, 2011.

- Performance-Based-Monitoring intervention data that must be submitted through the Perkins application Program Effectiveness Report to fulfill Federal or State requirements, due August 15, 2011

It is no longer necessary for grantees to enter a new transaction in ER to draw down the 10% reserve. Grantees will submit a final expenditure report for the full amount of their allowable expenditures, then TEA will pay 90% of the cumulative expenditures and retain the final 10% in reserve until TEA's fiscal processing unit has verified that all requirements are in compliance. TEA will release the 10%

reserve amount to LEAs after all requirements are met. All cash requests must be completed during the time the ER remains open—typically, 60 days following the project end date.

Note: LEAs must report expenditures for each Federal fund source combined in a schoolwide campus budget according to generally accepted accounting principles and the FAR Guide (<http://www.tea.state.tx.us/index4.aspx?id=1222>).

Encumbrances, Expenditures, and Payments

Upon receipt of the NOGA, you may be reimbursed for program expenditures through the ER system. This grant reserves 10% of the NOGA amount or 10% of the final expenditure amount (if less than the NOGA amount) pending satisfactory completion of all fiscal and programmatic requirements. The final settlement payment will be based on your submission of the Final Expenditures Report and the Program Effectiveness Report for School Year 2010–2011 and if applicable, performance based monitoring Stage 1 program improvement strategies.

All encumbrances/obligations shall occur on or between the beginning and ending dates of the contract. All goods must be received and all services must be rendered between the beginning and ending dates of the contract. The contractor must liquidate (record as an expenditure) all obligations (encumbrances) incurred under the contract no later than 30 days after the ending date of the contract, to coincide with the submission of the final expenditure report, due 30 days after the ending date of the contract. In no manner shall encumbrances be considered or reflected as accounts payable or as expenditures, and an encumbrance cannot be considered an expenditure or accounts payable until the goods have been received and the services have been rendered. Obligations that are liquidated and recognized as expenditures must meet the allowable cost principles in OMB Circular A-87, A-21, or A-122 (as applicable) and program rules, regulations, and guidelines contained elsewhere. This applies to all grant programs, including state and federal, discretionary and formula.

Reminder: All goods and services must be received before June 30, 2011. Goods must be put into service before June 30, 2011. There is no carryover provision for this program. Unexpended funds do not roll forward.

Application Submission through eGrants

Submit the application for these grant programs only electronically through the TEA eGrants system. Applications will not be accepted by TEA via any other means. Refer to *Application Guidelines*—

Part 1: General and Fiscal Guidelines for more specific information about accessing eGrants and obtaining the required TEA SE user ID and password.

Note: Applicants are advised of the following:

Applications with *missing or incomplete schedules* are *ineligible* for review or consideration for funding. It is the responsibility of the applicant to ensure that all schedules are complete and that all copies of the application are complete before submitting to TEA.

Applications that do not address all of the *statutory requirements* are not eligible to be considered for funding and will not be corrected through negotiation.

Reference Material and Attachments

The following documents or attached materials contain additional information to assist with program requirements and compliance questions, including website links where available.

- Financial Accountability System Resource Guide
<http://www.tea.state.tx.us/index4.aspx?id=1222>
- Appendix A: Accounting for Federal Funds on Schoolwide Campuses
- Appendix B: Expenditure Reporting
- Appendix C: Basic Guidelines for Allowable Costs and Cost Principles
- Appendix D: Indirect Cost Calculation
- Guidelines Related to Specific Costs

Appendix A: Accounting for Federal Funds on Schoolwide Campuses

Use of Funds for Title I, Part A, Schoolwide Programs

Section 1114 of Public Law 107–110 authorizes campus that are eligible to operate schoolwide programs to use Title I, Part A, funds in combination with other Federal, state, and local funds to improve student performance by upgrading the entire educational program in a school. Such schoolwide programs are exempt from statutory or regulatory requirements of other Federal education programs, provided that the intent and purposes of other such programs are met and the needs of the intended beneficiaries of the Federal fund sources combined are met. The effectiveness of the program is measured by student performance.

Schoolwide Plan

According to TEC Section 11.251(f), LEA policies must ensure that all pertinent Federal planning requirements are addressed through the district- and campus-level planning process. Therefore, the schoolwide campus plan requirements for a Title I schoolwide campus are to be incorporated in the campus improvement plan. Specific requirements related to Title I, Part A, schoolwide planning are as follows:

- Title I, Part A, funds on a schoolwide campus may be used only to support activities identified by the comprehensive needs assessment and described in the campus improvement plan.
- Any eligible school that wishes to operate a schoolwide program shall first develop (or amend a plan for such a program that was in existence on the day before the enactment of the No Child Left Behind Act of 2001), in consultation with the LEA and its school support team or other technical assistance provider under P.L. 107–110, Section 1117, a comprehensive plan for reforming the total instructional program in the school that does the following:

- incorporates the requirements of a Schoolwide Plan as cited in P.L. 107–110, Section 1114(b)
- clearly incorporates the Ten Components of a Schoolwide Program
- describes how the school will use Title I, Part A, resources and other sources to implement the ten components
- includes a list of state and Federal programs whose funds will be combined to implement a schoolwide program
- describes how the intent and purposes of the Federal programs whose funds are combined on a schoolwide campus are met
- includes sufficient activities to address the needs of the intended beneficiaries of the Federal programs whose funds are combined on a schoolwide campus for upgrading the entire education program

The comprehensive plan shall be

- developed during a one-year period, unless the following occurs:
 - The LEA, after considering the recommendation of the technical assistance providers under Section 1117(c) and (e), determines that less time is needed to develop and implement the schoolwide program.
 - The school is operating a schoolwide program on the day preceding the date of enactment of the No Child Left Behind Act of 2001, in which case such school may continue to operate such program but shall develop amendments to its existing plan during the first year of assistance under such Act to reflect the plan provisions.
- developed with the involvement of the parents and other members of the community to be served and individuals who will carry out such plan, including teachers, principals, and, administrators (including administrators of programs described in other parts of Title I) and if appropriate, pupil services personnel, technical assistance providers, school staff, and if the plan relates to a secondary school, students from such school
- in effect for the duration of the school’s participation in Title I, Part A, and reviewed and revised, as necessary, by the school
- available to the LEA, parents, and the public in an understandable and uniform format and to the extent feasible provided in a language that the parents can understand
- if appropriate, developed in coordination with programs under the Reading First, Early Reading First, Even Start, the Carl D. Perkins Career and Technical Education Act, and the Head Start Act.

A school that chooses to use funds to support Title I, Part A, schoolwide programs is *not* exempt from requirements relating to the following:

- health, safety, civil rights, and gender equity
- student and parental participation and involvement
- services to private school children
- maintenance of effort
- comparability of services
- uses of Federal funds to supplement and not supplant

The Secretary of Education authorizes a schoolwide program school to use funds from most Federal education programs administered by the Secretary to support its schoolwide program. This authority also extends to services, materials, and equipment purchased with those funds and provided to the school.

Accounting for Schoolwide Program Funds

Combining funds to meet the collective needs of the included programs on a schoolwide campus allows schools to address needs in an integrated way and relieves schools from the burden of documenting that a specific program dollar was expended for a specific program activity. In other words, the Federal funds lose the “program” identity. However, the Federal funds do *not* lose their “fiscal” identity.

For example, Title IV—Safe and Drug-Free Schools and Communities (SDFSC) expenditures on a schoolwide campus do not have to be tracked back to allowable SDFSC activities. However, SDFSC expenditures do have to be tracked back to the SDFSC Fund Code 204, and all generally accepted accounting principles must be followed. In addition, the school must be able to demonstrate (i.e., document) that it met the intent and purposes of the SDFSC program and that the needs of the intended beneficiaries of the SDFSC program were met. This means that when SDFSC funds are used on a schoolwide campus, all students and all teachers are provided a comprehensive drug use prevention and violence prevention program and that those programs meet the requirements of the SDFSC Principles of Effectiveness.

Mandatory Codes for Schoolwide Programs

According to FAR, the following account codes are mandatory for all LEAs, including those LEAs implementing schoolwide programs:

- Fund Code (3 digits)—Special Revenue Code
- Function Code (2 digits)
- Object Code (4 digits)
- Organization Code (3 digits)
- Fiscal Year Code (1 digit)
- Program Intent Code (2 digits), if required by FAR
- Optional Codes—as appropriate

Budgeting Options

A schoolwide campus is not required to track specific *program* dollars to specific *program* activities. However, a campus must track Federal funds fiscally. The manner in which an LEA accounts for Federal funds on a schoolwide campus is determined by how Federal funds are expended on a schoolwide campus. For Federal funds that are combined to upgrade the entire educational program at the campus, the LEA has three options.

Option 1

You may choose to have a campus account for all expenditures by the special revenue fund code for each Federal program as you would on a targeted-assistance campus. In this case, funds will be budgeted in the appropriate SAS application by class/object code, and amendments will be submitted according to the rules and regulations governing fiscal and program changes. (See the instructions for Schedule **GS2900** in the Schedule Instructions.)

Option 2

You may choose to transfer Federal program funds to a schoolwide campus budget through a locally defined system of federally funded special revenue fund codes. For example, if a schoolwide campus plans to use Title I, Title II, and Title IV program funds on a schoolwide campus to upgrade the entire educational program, you would transfer these program funds to the schoolwide campus using a locally defined, federally funded special revenue fund code for each program. By using this option, the LEA would budget program funds for schoolwide campuses as a lump sum in class/object code **8911—Operating Transfers Out**. Because the program funds are transferred to a locally defined, federally funded special revenue fund code on a schoolwide campus, the program funds are automatically identified as being included on a schoolwide campus for upgrading the entire educational program.

Option 3

You may choose to have a campus include all Federal funds that are eligible to be combined in a schoolwide campus budget and are used to upgrade the entire educational program in a single locally defined, federally funded special revenue fund code. If you choose this option, the campus should allocate expenditures to the separate Federal fund sources according to the percentage that each Federal program contributed to the total combined amount.

For example, if a campus has a schoolwide program with a total of \$100,000 from Federal programs (\$50,000 from Title I, Part A; \$10,000 from Title I, Part C (Migrant); \$20,000 from Title VI—Innovative; and \$20,000 from the Carl D. Perkins Career and Technical Education Act), the campus would combine these funds together in a locally defined revenue code for Federal funds on a schoolwide program campus. The campus would then allocate expenditures to the appropriate program by the percentage the program contributed for reporting by the LEA on ER. In this case, the expenditures would be charged as follows: 50% to Title I, Part A; 10% to Title I, Part C; 20% to Title VI—Innovative; and 20% to the Perkins program.

If the schoolwide program has Federal funds remaining at the end of the project year, the funds would revert back to each of the Federal programs according to the same percentages.

Funds that are to be included in a combined schoolwide budget in this manner will be budgeted on Schedule **BS6003—Program Budget Summary and Support** as class/object code **8911 Operating Transfers Out**.

LEAs Implementing Option 2 or 3

1. No SAS amendments are needed pertaining to the use of funds budgeted under 8911.
2. For fiscal reporting requirements under FAR, the campus must continue to track and report expenditures to PEIMS by class/object code to each fund source separately. Using a journal voucher, the LEA must reclassify the expenditures from the locally defined, federally funded special revenue fund codes used by the campus to the special revenue fund codes assigned to the specific Federal programs by FAR.

Beginning and Ending Dates for Schoolwide Program Applications

Schoolwide programs are authorized under the Title I, Part A, statute. Therefore, Federal funds that are expended to support a schoolwide campus program may not be combined on a schoolwide campus earlier than the stamp-in date of the funding application for Title I, Part A, funds.

The allocation of expenditures should be based on the same percentage that the programs represent in the combined schoolwide campus program account on the “as of” date for reporting expenditures. The ending date of the Title I, Part A, program cannot be later than June 30.

Fiscal and Program Requirements for All Schoolwide Programs

In summary, the following fiscal and program requirements apply to all schoolwide programs.

1. The LEA must be able to maintain an audit trail according to budget authority in the NOGA for Federal funds expended on a schoolwide campus.
2. The LEA must be able to demonstrate comparability of services or maintenance of effort as required by each Federal program.
3. Program activities included on a schoolwide campus must be implemented and evaluated as required by each Federal program.
4. Federal funds on a schoolwide campus must be used to meet the needs identified through the school's comprehensive needs assessment and the school reform activities described in the Campus Improvement Plan which incorporates the requirements of the Schoolwide Program Plan.
5. Documentation at the local level must be maintained to demonstrate that appropriate activities were conducted to reasonably address the needs of the intended beneficiaries of the Federal programs included on a schoolwide campus and that the intent and purposes of each Federal program were met.

Appendix B: Expenditure Reporting

Payments Using the Web-Based ER System

Grantees are required to use TEA's online ER system to record expenditures and request payment. Expenditures must be reported by class/object code in ER. Access the ER system by typing <https://seguin.tea.state.tx.us/apps/logon.asp> in your web browser. Enter your TEA SE username and password and click the **Continue** button. Then click on **Expenditure Reporting** from the application list.

TEA Payment Report

Records of payments made to districts by TEA may be accessed from <http://faulk.tea.state.tx.us/pmrpt1/TEAPmtRpt.jsp>. This page provides access to the *TEA Payment Report*, a listing of *direct phone numbers* to TEA, and the State Comptroller of Public Accounts' report for the last 90 days of all payments made by state agencies.

Appendix C: Basic Guidelines for Allowable Costs and Cost Principles

To be allowable under a grant award, costs must meet the following general criteria:

1. Be reasonable for the performance of the grant and be allowable under the applicable cost principles
2. Conform to any limitations or exclusions set forth in the applicable cost principles or in the grant agreement as to types or amount of cost items

3. Be consistent with policies and procedures that apply uniformly to both federally funded activities and activities funded from other sources
4. Be accorded consistent treatment among all grant programs, regardless of funding source
5. Be determined in accordance with generally accepted accounting principles (GAAP)
6. Not be included as a cost or used to meet cost sharing or matching requirements of any other federally funded program in either the current or a prior period

In determining the reasonableness of a given cost, consideration shall be given to:

1. whether the cost is of a type generally recognized as ordinary and necessary for the operation of the organization or the performance of the grant
2. what restraints or requirements are imposed by such factors as generally accepted sound business practices, arms length bargaining, Federal and state laws and regulations, and terms and conditions of the grant award.
3. whether the individuals concerned acted with prudence in the circumstances, considering their responsibilities to the organization, its members, employees, and clients, the public at large, and the Federal government
4. what significant deviations from the established practices of the organization may unjustifiably increase the grant costs.

Allowable Costs

A cost is allowable to a particular grant in accordance with the relative benefits received. A cost is allowable to a grant award if it is treated consistently with other costs incurred for the same purposes in like circumstances and if it does the following:

1. Is incurred specifically for the grant
2. Benefits both the grant and other work and can be distributed in reasonable proportion to the benefits received

Any cost allowable to a particular grant or other cost objective may not be shifted to other Federal awards to overcome funding deficiencies or to avoid restrictions imposed by law or by the terms of the grant award.

Appendix D: Indirect Cost Calculation

Indirect costs for federally funded grants are a form of administrative costs incurred for a common or joint purpose benefiting more than one cost objective and not readily assignable to the cost objectives specifically benefited, without effort disproportionate to the results achieved. *Costs must be consistently treated either as direct or indirect among all funding sources. For Perkins grants, the indirect cost **plus** expenditures for administration of the program may not exceed 5% of the grant award.*

Your organization must have a TEA-approved indirect cost rate to claim indirect costs. Indirect cost rates change annually and are effective from July 1 of the current year to June 30 of the following year. Restricted indirect cost rates must be used to calculate indirect costs. For assistance with your indirect cost rate, contact the Division of School Audits at 512-463-9095.

Notes:

- You must have a federal indirect cost rate in order to charge indirect costs to a federal grant or to a state grant.
- You are not required to budget indirect costs in the grant application in order to charge indirect costs to the grant.
- If indirect costs are claimed, they are part of the total grant award amount. They are not in addition to the grant award amount.
- All applicants other than school districts, ESCs, and open-enrollment charter schools that have an approved rate from TEA must submit a copy of their indirect cost rate agreement specifying the approved rate for the current period to TEA along with the application. Indirect costs will not be permitted in the absence of a copy of this agreement.
- Costs included in the calculation of the indirect cost rate (i.e., as specified in your organization's indirect cost plan) may not be charged as direct costs to a grant.
- Unless otherwise indicated for individual programs, you may charge **federally funded programs** for indirect costs incurred by using the restricted indirect cost rate or 8%, whichever is less. You may charge **state-funded programs** for indirect costs by using the restricted indirect cost rate, or 15%, whichever is less.
- Indirect costs are part of administrative costs. If administrative costs are limited to a certain percentage for a particular program, for example 5%, then the total direct administrative costs, plus indirect costs, cannot exceed 5%.

To Calculate Indirect Costs

Step 1

School Districts, Education Service Centers, and Charter Schools Operated by an LEA

Compute the amount of indirect cost to be claimed by deducting the following cost exclusions from total direct costs:

- Subgrants (6290)
- Debt Service (6500)
- Capital Outlay (6600)
- Building Purchase, Construction, or Improvements (6620).

Colleges/Universities and Charter Schools Operated by a College/University

Calculate the modified total direct cost base by deducting the following:

- Tuition remission (6100)
- Rental or Lease of Buildings, Space in Buildings, or Land (6269)
- Scholarships and Fellowships (6200)
- Portion of each subcontract in excess of \$25,000 (6219)

- Subgrants (6290), regardless of dollar amounts
- Debt Service (6500)
- Capital Outlay (6600)
- Building Purchase, Construction, or Improvements (6620)

Nonprofit Organizations and Charter Schools Operated by a Nonprofit Organization

Calculate the modified total direct cost base by deducting the following:

- Rental or Lease of Buildings, Space in Buildings, or Land (6269)
- Scholarships and Fellowships (6200) (Not allowable for Federal grants)
- Portion of each subcontract in excess of \$25,000 (6219)
- Subgrants (6290), regardless of dollar amounts
- Debt Service (6500)
- Capital Outlay (6600)
- Building Purchase, Construction, or Improvements (6620)

Step 2

For **federally** funded grants regardless of who the grantee is, multiply the modified total direct costs by 8% or the restricted indirect cost rate approved by your cognizant agency, whichever is less. **Drop the cents. Do not round up.** If administrative costs are limited to a certain percentage, the total direct and indirect costs cannot exceed the specified percentage.

For **state**-funded grants regardless of who the grantee is, multiply the modified total direct costs by 15% or the restricted indirect cost rate approved by your cognizant agency, whichever is less. **Drop the cents. Do not round up.** If administrative costs are limited to a certain percentage, the total direct and indirect costs cannot exceed the specified percentage.

Step 3

The maximum allowable is the total direct cost minus exclusions multiplied by the grantee's approved restricted indirect cost rate or the rate specified in Step 2, whichever is less. The grantee may enter, in the appropriate field on the form **BS6003—Program Budget Summary and Support**, an amount not to exceed the maximum allowable.

Indirect costs may be claimed based upon actual expenditures declared on mid-year or final expenditure reports (whether or not indirect costs were budgeted in the original application or amendment). The amount spent on indirect costs is part of the total amount awarded and not in addition to the total amount awarded.

Costs that Must Be Excluded from the Indirect Cost Calculation (identified with an X)			
Items of Cost	School Districts, ESCs, and Open-Enrollment Charter Schools Operated by a Government Entity	Nonprofit Organizations, including Open-Enrollment Charter Schools Operated by a Nonprofit Organization	Educational Institutions, including Open-Enrollment Charter Schools Operated by a College or University
6100—Payroll Exclude: Tuition Remission	Not applicable	Not applicable	X
6200—Professional and Contracted Services Exclude: Rental or lease of buildings, space in buildings, or land (does not include rental of temporary meeting room space) Exclude: Scholarships and fellowships Exclude: The portion of each subcontract in excess of \$25,000 Exclude: Subgrants, regardless of dollar amounts	X	X Unallowable X X	X X X X
6500—Debt Service	X	X	X
6600/15XX—Capital Outlay Exclude: All costs	X	X	X
6620—Building Purchase, Construction, or Improvements Exclude: All costs	X	X	X

Shared Services Arrangements

Note: Enter the total amount of payments to SSA member districts. This amount may duplicate all or a portion of the above Total Budgeted Cost.

If this application is for an SSA, the Program Budget Summary is a composite of all amounts requested by the fiscal agent and its member districts. Amounts are shown by class/object code for all member districts and the fiscal agent.

Note: Member districts must report expenditures to the fiscal agent by object code of expenditure. The fiscal agent will submit composite expenditures by class/object code for all member districts and the fiscal agent.

A footnote for Payments to Member Districts (6493) is provided to indicate the total amount anticipated to be paid to member districts. This represents the amount of funds that will not be retained by the fiscal agent for SSA purposes.

All standard budget items are preprinted for your convenience. Request funding on in those class/object codes which are necessary to fulfill your project objectives.

Guidelines Related to Specific Costs

Funds must be expended for reasonable and necessary costs in conducting grant activities. Reasonable means a cost is consistent with prudent business practice and comparable to current market value. Necessary means the cost is essential for you to accomplish the objectives of the project. Your organization must comply with the applicable Federal cost principles in expending grant funds. See the last section of this appendix for a list of the Federal cost principles.

This document addresses certain specific costs only and is not intended to be all-inclusive.

Advertisements

Advertisements are allowed for recruiting grant personnel only as long as the advertisement is not in color and not excessively large.

Advertisements are allowed for communication with the public and press when the costs are considered necessary as part of the outreach effort for the grant.

Alcoholic Beverages

Alcoholic beverages are not allowable under any circumstances.

Audit Fees

Audit fees are allowable in accordance with the following:

- Audit fees and expenses may not be charged to State-funded grants.
- Audit fees and expenses are allowable only when the audit is required by and performed in accordance with OMB Circular A-133, Audits.
- Audit fees and expenses may not be charged as a direct cost when such audit-services costs are part of your organization's indirect cost pool.

Awards for Recognition and Incentives for Participation

Minimal-cost certificates, plaques, ribbons, small trophies, or instructionally-related items to be used in the classroom (such as pens and pencils) are acceptable incentives for participation in program activities or awards for recognition.

The following items may be donated by others but may not be purchased with grant funds:

- Gifts or items that appear to be gifts
- Souvenirs, memorabilia, or promotional items, such as T-shirts, caps, tote bags, imprinted pens, and key chains
- “Door prizes,” movie tickets, gift certificates, passes to amusement parks, and so on
- Food of any kind (snacks, beverages, refreshments, meals, and so on)

Calendars and Calendaring Systems

Calendaring systems to manage personal calendars—whether paper calendars, personal digital assistants (PDAs), or electronic or software calendars—are not allowable costs.

Cellular Telephones for Personal Use

A cellular telephone for personal use is not an allowable cost.

Ceremonies, Banquets, or Celebrations

Costs associated with ceremonies, banquets, or celebrations are not allowable.

Conflict of Interest

Any purchase or expenditure that would pose a conflict of interest, real or perceived, is not allowable.

Construction, Remodeling, or Renovation

These costs are not allowed unless specifically authorized in the authorizing program statute and unless specifically approved by TEA in the applicable grant application.

Consultants

You shall not use or pay any consultant in the conduct of this application if the services to be rendered by such consultant could have been rendered by your employees. You must select consultants based on demonstrated competence, qualifications, and experience and on the reasonableness of the proposed fee.

Employee Service Awards

Employee service awards cannot be paid from grant funds.

Employer Contributions to Voluntary Retirement Plan

Employer contributions to an employee’s voluntary retirement plan, such as a 401k or 403b, are not allowable.

Entertainment, Recreation, Social Events

Costs associated with any type of entertainment, recreation, or social event are not allowable.

Field Trips

If specified in the grant program, educational field trips are allowable under certain circumstances if allowed in the grant program. Educational field trips are approved, planned instructional activities that involve students in learning experiences that are difficult to duplicate in a classroom situation. These field trips should provide hands-on activities that encourage students to experiment and ask questions. The field trip must support Texas Essential Knowledge and Skills (TEKS), must be reasonable in cost, and must be necessary to accomplish the objectives of the grant program.

The field trip must also appear as a part of the teacher's lesson plans, which should include activities that prepare students for the trip and follow-up activities that allow students to summarize, apply, and evaluate what they learned from the trip.

Costs for the field trip must be reasonable. Any entrance fees and transportation costs must be reasonable in comparison to the intended objectives of the trip.

For audit purposes, your organization must maintain documentation of the field trip and must provide clear evidence of how the expense ties back to an instructional objective. Documentation should include the following:

- Destination of each field trip
- Costs associated with each field trip
- Objectives to be accomplished from conducting the field trip
- Teacher's lesson plan and follow-up activities

If the supplement-not-supplant requirement applies to the grant program in question, documentation must demonstrate the supplementary nature of the field trip as well.

Examples of Appropriate Educational Field Trips

Examples of appropriate educational field trips include the following:

- Curricular academic activities focused on math, science, and technology, such as service learning, internships, UIL competitions (robotics, math), or science and technology fairs
- Laboratory and field investigation instruction, used to improve students' understanding of science TEKS objectives
- Trips to a river, archaeological site, or nature preserve that might include contracting with local science centers, museums, zoos, and horticultural centers for visits and programs
- Trips to the local library to increase access to high-interest reading materials
- Visits to colleges and universities to encourage interest in the pursuit of higher education

Unallowable Costs Related to Field Trips

The following costs are not allowable:

- Field trips for social, entertainment, or recreational purposes
- Field trips that supplant and do not supplement local or state expenditures or activities
- Field trips that are not part of a teacher's lesson plan or that do not meet the instructional objectives of the grant program
- Field trips that are not reasonable in cost or are not necessary to accomplish the objectives of the grant program

- Field trips that are not properly documented (as described above)

Food and Beverage Costs

Expenditures on food must be reasonable in cost, necessary to accomplish program objectives, and an integral part of the instructional program. If TEA determines that you expended grant funds on food costs that are not reasonable or necessary to meet the intent and objectives of the grant, TEA reserves the right to restrict you from expending any funds on food costs or to disallow expenditures on food costs.

Food Costs for Participant Meetings/Training

Unless otherwise specified by TEA, a limited amount of funds may be expended on meals for participant meetings or training events. The use of grant funds for this purpose is specifically limited to light working lunches for participants when the working lunch is noted on an agenda, is clearly described, and is mandatory. The purpose of a working lunch should be to shorten the overall meeting or training time and to facilitate accomplishing the objectives of the meeting or training and the overall program. A “working lunch” or “light lunch” described below is considered to be reasonable in cost when the cost of the lunch including tax does not exceed \$20 per person; therefore, TEA will not reimburse a grantee for more than \$20 per person, including tax. Any amount over \$20 per person must be paid from other allowable funding sources. The \$20 per person does not include any mandatory service fee or set-up fee. Anything termed a “gratuity” or “tip” is not reimbursable by TEA.

Specifically, grant funds may be expended for the following costs provided that the grantee maintains adequate and sufficient documentation that the costs were necessary and reasonable to further the intent and objectives of the grant.

- **Light Lunch during an All-Day Meeting or Training Session:** Light lunch (not to exceed \$20 per person, including tax) *for participants who are cloistered in an all-day (at least six-hour) meeting or training session.* You must document that it was impractical for participants to obtain lunch on their own (for example, because of an isolated location or distance to eateries) and that their attendance at the meeting or training session was essential to accomplishing the objectives of the grant. You must maintain an agenda that clearly identifies the topics discussed during the meeting or training session and the time allocated to each topic, including the lunch period. Only a nominal amount of grant funds may be used per participant.
- **Working Lunch during an All-Day Meeting or Training Session:** Light meals during a “working lunch” (not to exceed \$20 per person, including tax). A working lunch is defined as an activity in which staff or participants are engaged in exercises or activities during the normal meal time. You must maintain an agenda that shows that no other opportunity for a meal was provided and that clearly identifies the exercise or activity the participants were engaged in. You should also retain a representative sample of the work product, if any, that was generated as a result of the working session. Only a nominal amount of grant funds may be used per staff or participant.

No other food costs, including beverages and other refreshments, breaks, or snacks, are permitted.

Allowable Food Costs for Parents and/or Students

The following costs are allowable for parents or students:

- Nutritional snacks for students in extended day (after-school) programs
- Nutritional snacks for children in child care while parents are participating in grant activities
- Food necessary to conduct nutrition education programs for parents

- Parent involvement activities in which refreshments are necessary to encourage participation or attendance by parents, such as in low-income areas, and thus meet program objectives.

Full meals for parents or students are not allowable for these purposes under any circumstances. Expenditures must be reasonable in cost, necessary to accomplish program objectives, and an integral part of the instructional program.

Unallowable Food Costs

The following costs are not allowable:

- Refreshments of any kind, including beverages, breaks, and snack foods except as necessary for parent involvement activities to encourage attendance by parents
- Refreshments or meals at an awards banquet or functions
- Any food costs that are not necessary to accomplish the objectives of the grant program
- Any food cost associated with an event in which a guest speaker or other individual conducts a presentation
- Breakfast
- “Working lunches” or “light lunches” that exceed \$20 per person, including tax
- Gratuities or tips

Fund-Raising Activities

Costs of organized fund raising, including solicitation of gifts and bequests, endowment drives, financial campaigns, and similar expenses incurred to raise capital or obtain contributions are not allowable. Costs associated with training on fund-raising are not allowable.

Gifts

Gifts or items that appear to be gifts are not allowable.

Interest Paid

Interest paid in a prior grant period may not be charged retroactively to this grant period.

Land Purchase and Improvements

Land purchase and improvements to land are not allowable costs, unless specifically authorized in the grant program statute and specifically approved by TEA in the grant application.

Legal Fees

Legal fees and expenses are allowable only as necessary for the administration of the grant program. Retainer fees are not allowable costs.

Membership in Civic and Social Organizations or Lobbying Organizations

Memberships in civic and social organizations and in organizations that are substantially engaged in lobbying are not allowable costs.

Personal Calendaring Systems

Calendaring systems to manage personal calendars—whether paper calendars, personal digital assistants (PDAs), or electronic or software calendars—are not allowable costs.

Printing Costs

Printing costs are allowable when documentation demonstrates that they are reasonable and necessary. Any multi-color printing must be reasonable in cost and must be necessary to carry out the objectives of the grant program. Documentation must be maintained demonstrating that any such costs are reasonable and necessary.

Professional or Individual Liability Insurance

Professional liability insurance for individual employees is not an allowable cost.

Promotional Items, Memorabilia, or Souvenirs

Promotional items, memorabilia, or souvenirs are not allowable costs.

Renovation, Remodeling, or Construction

Renovation, remodeling, or construction is not allowable unless specifically designated as allowed in the authorizing statute and specifically approved by TEA in the applicable grant application.

Social Events

The costs associated with social events of any kind are not allowable.

Substitute Pay for Private Nonprofit Schools

Substitute pay for private nonprofit school teachers is not allowable under any circumstances.

Training or Technical Assistance on Grant Writing

Funds may not be used for training or technical assistance on grant writing or for costs associated with obtaining funds from another grant.

Transportation Costs

The cost of transporting students (or parents, if appropriate for the particular grant program) to or from extracurricular grant activities is an allowable expenditure. You may not charge the grant for costs incurred in transporting students to and from the regular school day.

Travel Costs

All organizations should have a local travel policy that is applied consistently among all employees so employees are reimbursed at the same rates, whether traveling on a state or federal grant or for other purposes. The maximum amounts that may be charged to the grant are restricted to the rates that are approved in the State of Texas Appropriations Bill in effect for the particular grant period.

If local policy restricts travel, per diem, and other travel expenses to a rate less than State law, the applicant must budget and request reimbursement from the grant at the lesser rate. If local policy exceeds the maximum recovery rate specified in the Appropriations Bill, then the difference must be paid from state or local funds, i.e., not from grant funds. Travel allowances, in which the per diem is paid to the employee regardless of the amount actually expended, are not allowable.

Travel generally means a destination outside the city or town in which the individual works (i.e., duty point). Travel can also mean transportation from one duty point to another within the same

city or town, such as with an itinerant teacher or counselor who visits multiple campuses in the same work day.

Travel Costs for Executive Director, Superintendent, or Board Members

Travel costs for executive directors, superintendents, or board members or directors are allowed only when they are specifically related to carrying out the objectives of the grant project and only with specific TEA approval.

Allowable Travel Expenses

For more detailed information regarding allowable travel expenses, consult the Texas State Comptroller's Web site, at <http://window.state.tx.us>. Follow these steps to locate information on the comptroller's site regarding specific aspects of travel reimbursement:

1. Click the **Finances and Economy** tab at the top of the home page.
2. Scroll down to the **Fiscal Management** section, and click **State of Texas Travel Information**.
3. In the **Resources** section, click **Texttravel**. (Note: The "Travel Reimbursement Rates" link opens a general summary page of travel information. Specific travel information is not readily available at that link.)
4. Click either the **Meals and Lodging** or the **Transportation** tab.
5. On the left of the page that opens is a blue menu listing subtopics of specific travel information (e.g., on the Transportation page, the subcategories listed in the blue menu include Mileage in Personal Vehicle, Parking, and Rental Vehicles). Click the appropriate subtopic.

The following travel expenses are allowable:

- Mileage reimbursement is allowable for travel necessary to carry out the objectives of the grant project. When an employee is on travel for the purposes of the grant, mileage reimbursement cannot exceed the rate established by the Texas Comptroller. Effective January 1, 2010, reimbursement for mileage is not to exceed 50 cents per mile. (The mileage reimbursement rate for travel between September 1, 2009, and December 31, 2009, is 55 cents per mile.) If local organization policy reimburses at a lower rate, you must claim that lower rate.
- As of September 1, 2009, the Texas Mileage Guide is no longer used to calculate mileage. Travelers are required to calculate mileage by one of the following two methods:
 - Odometer reading (point-to-point method)
 - Electronic mapping source (such as that on www.Mapquest.com or any other online mapping service). If this method is chosen, the traveler must print out the driving directions provided by the site and attach them to the travel voucher.

Travelers are required to select the shortest and most economical route but may justify the selection of another route if it was chosen for safety reasons and specific justification of the selection is given.

- Airfare is allowable at the lowest fare available and must be documented with a receipt. First-class airfare is not allowable.
- Car rental fee (at destination) is not allowable unless other transportation such as taxi or shuttle is not available for performing official business or unless you document that car rental is more cost effective than alternate modes of travel. (The car rental must be documented with a receipt.)
- Airport parking is allowable.
- For both in-state and out-of-state travel, the traveler may apply funds available for meal reimbursement toward lodging. For instance, if the traveler chooses for the sake of convenience to

stay in a hotel that costs \$10 more a night than the allowable maximum for lodging, the traveler can apply \$10 of the maximum available for meal reimbursement toward the lodging rate. If the traveler chooses to apply meal reimbursement to lodging, the maximum meal reimbursement rate is reduced by the same amount. (Applying \$10 of the meal reimbursement to lodging would reduce the meal reimbursement by \$10.)

- **In-state travel:** Beginning September 1, 2009, the Federal Rate Schedule will be used for reimbursement of in-state meal and lodging expenditures. Because the reimbursement rates can change, it is recommended that travelers print the page at the time reservations are made and submit the printout with the travel reimbursement voucher as a supporting document.

Follow these steps to access federal meal and lodging reimbursement rates for traveling in Texas on the Texas State Comptroller's web site, at <http://window.state.tx.us>:

1. Click the **Finances and Economy** tab at the top of the page.
2. Scroll down to the *Fiscal Management* section, and click **State of Texas Travel Information**.
3. In the *Resources* section, click **Travel Reimbursement Rates**.
4. Click **Domestic Maximum Per Diem Rates**.
5. On the U.S. map, click **Texas**.
6. **Important: Disregard the note regarding CONUS at the top of the page; that is a federal standard that does not apply.** Find your destination on the list, and apply the maximum meal and lodging rates for the city or area to which you are traveling.
 - If the Texas city to which you are traveling is not listed, check the county list. If the county to which you are traveling is listed, use the rate given for that county.
 - If the Texas county to which you are traveling is not listed, use the standard maximum rate of \$85 for lodging and \$36 for meals.

- **In-State Day Trips:** In accordance with local policy, an employee whose duties require the employee to travel outside the employee's designated headquarters without an overnight stay away from the employee's headquarters may be reimbursed for the actual cost of the employee's meals, not to exceed \$36. In the absence of a local policy, no reimbursement shall be made from the grant for this purpose.

"Designated headquarters" is defined as the area within the boundaries of the city or town in which a traveler's place of employment is located. Travel must take the employee outside designated headquarters for more than six consecutive hours; the cost of meals for travel lasting less than six consecutive hours is not allowable to be charged to the grant.

- **Out-of-State Travel:** A state employee who travels within or outside the continental United States shall be reimbursed for the actual cost of lodging and meals. However, the reimbursements out of grant funds may not exceed the maximum meals and lodging rates based on the federal travel regulations and issued by the Texas Comptroller of Public Accounts. If local policy reimburses at a lesser amount, you must comply with local policy. If local policy reimburses at a greater amount, you must pay the difference from local or state funds (i.e., not from grant funds).

Follow these steps to access federal meal and lodging reimbursement rates for traveling out of state on the Texas State Comptroller's web site, at <http://window.state.tx.us>:

1. Click the **Finances and Economy** tab at the top of the page.
2. Scroll down to the *Fiscal Management* section, and click **State of Texas Travel Information**.
3. In the *Resources* section, click **Travel Reimbursement Rates**.
4. Click **Domestic Maximum Per Diem Rates**.
5. On the U.S. map, click the state to which you are traveling.

6. Important: Disregard the note regarding CONUS at the top of the page; that is a federal standard that does not apply. Find your destination on the list, and apply the maximum meal and lodging rates for the city or area to which you are traveling.

- If the out-of-state city to which you are traveling is not listed on the Federal Rate Schedule, find the city on the list that is nearest geographically to your travel destination and apply the lodging and meal rates given for that city.
- When determining the nearest listed city, it is permissible to cross state lines. (For example, if travel takes you to northern New Mexico, the nearest listed city might be a city in Colorado rather than another location in New Mexico.)

- **Summary of Rates:** The following table summarizes reimbursement rates for in-state and out-of-state travel.

In-State Meals and Lodging	Refer to the federal Domestic Maximum Per Diem Rates. For cities not listed, apply the rate for the county in which the city is located. If the county is not listed, the rates are as follows: - Lodging in-state: Up to \$85/night - Meals in-state: Up to \$36/day
Out-of-State Meals and Lodging	Refer to the federal Domestic Maximum Per Diem Rates. For areas not listed, use the rate for the nearest city. When locating the nearest city, it is permissible to cross state lines.

- Taxi fares for official business are allowable. Tips cannot be reimbursed.
- Itemized miscellaneous business expenses (such as business phone calls, printing, or materials) for carrying out official business of the meeting, conference, or workshop are allowable.
- Registration fees to attend workshops or conferences are allowable. Social events or recreational events available at a cost above the basic registration fee may not be paid from grant funds.

Unallowable Travel Expenses

The following travel expenses are not allowable:

- First-class air fare
- Per diem (meals and lodging) for meeting, conference, or workshop participants who live in the same city where the event is held. (Automobile mileage is allowable.)
- Tips or gratuities (including service charges) of any kind
- Alcoholic beverages
- Entertainment, recreation, or social events
- Any expense for other persons
- Automobile mileage or taxi fares for other than official business
- Personal accident insurance or personal effects coverage for rental cars
- Rental car for personal use or for purposes not associated with the official business of the meeting, conference, or workshop

- Travel allowances (i.e., per diem paid regardless of participant’s actual expenses)
- Noninstructional field trips (see guidance under “Field Trips”)

Travel Documentation

Travel costs must be properly documented to be reimbursable. The employee must document travel costs with a travel voucher or other comparable documentation. Documentation must include the following at a minimum:

- Name of the individual claiming travel reimbursement
- Destination and purpose of the trip, including how it was necessary to accomplish the objectives of the grant project
- Dates of travel
- Actual mileage (not to exceed reimbursement at the maximum allowable rate). As of September 1, 2009, the Texas Mileage Guide is no longer used to calculate mileage. Travelers are required to calculate mileage by one of the following two methods:
 - Odometer reading (point-to-point method)
 - Electronic mapping source (such as www.Mapquest.com or any other online mapping service). If this method is chosen, the traveler must print out the driving directions provided by the site and attach them to the travel voucher.

Travelers are required to select the shortest and most economical route but may justify the selection of another route if it was chosen for safety reasons and specific justification of the selection is given.

- Actual amount expended on lodging per day, with a receipt attached (may not exceed the maximum allowable)
- Actual amount expended on meals per day (may not exceed the maximum allowable; tips and gratuities are not reimbursable)
- Actual amount expended on public transportation, such as taxis and shuttles
- Actual amount expended on a rental car, with receipt attached and justification for why a rental car was necessary and how it was more cost effective than alternate transportation; receipts for any gasoline purchased for the rental car must be attached (mileage is not reimbursed for a rental car – only the cost for gasoline is reimbursed)
- Actual amount expended on incidentals, such as hotel taxes, copying of materials, and other costs associated with the travel
- Total amount reimbursed to the employee

Tuition

Tuition fees, either paid directly to an institution or on a reimbursement basis to an employee, are allowable only for courses directly related to the grant program and where authorized in the grant program as an allowable use of funds.

Federal Cost Principles

The applicable cost principles as established by the Federal Office of Management and Budget (OMB) are as follows:

Type of Entity	Applicable Cost Principles
Public school districts Regional education service centers (ESCs) Open enrollment charter schools operated by a governmental entity Local governments (e.g., cities, counties)	OMB Circular A-87, Cost Principles for State and Local, and Indian Tribal Governments http://www.whitehouse.gov/omb/circulars/a087/a87_2004.html
Open-enrollment charter schools operated by a nonprofit organization Nonprofit organizations, including community-based organizations and faith-based organizations	OMB Circular A-122, Cost Principles for Nonprofit Organizations http://www.whitehouse.gov/omb/circulars/a122/a122_2004.html
Open-enrollment charter schools operated by an institution of higher education (i.e., college or university) Institutions of higher education (IHEs)	OMB Circular A-21, Cost Principles for Educational Institutions http://www.whitehouse.gov/omb/circulars/a021/a21_2004.html

To see the cost principles in side-by-side view, click the following link:

http://ritter.tea.state.tx.us/opge/grantdev/adminresources/Costprinciples_sidebyside_032310.pdf