

FEDERAL COST PRINCIPLES

OMB Circular A-122
FOR GENERAL INFORMATION PURPOSES ONLY

REFER TO SPECIFIC APPLICABLE SET OF FEDERAL COST PRINCIPLES FOR ENTIRE TEXT

Developed by the
Texas Education Agency
Division of Discretionary Grants
For Grants Administered by the Texas Education Agency

The following summary is provided for your convenience and as a "guide" only. TEA accepts no responsibility for the interpretation of the cost principles as outlined below. Grantees should consult the complete set of applicable cost principles to determine allowability and unallowability of costs prior to expending funds. All costs must be budgeted and approved in the Budget Summary in the applicable grant application prior to expenditure. Some costs require specific prior approval in the application, in which case the line item must be specifically budgeted and approved by TEA prior to expenditure.

Items of Cost	Non-Profit Organizations (i.e., includes open enrollment charter schools operated by a non-profit organization)
Accounting	<u>Not Addressed</u>
Advertising (See Public Relations)	<p><u>Allowable</u> Recruitment of grant personnel; procurement of goods and services; and disposal of surplus materials except when disposal cost is reimbursed. (OMB A-122, Attachment B, section 1c)</p> <p><u>Unallowable</u> 1. Other advertising costs not specified in section 1c, 1d., 1e.; cost of meetings and related activities including, displays, demonstrations, exhibits; cost of space rental; salaries/wages for employees doing set up, demonstrations, and briefings; cost for promotional material and gifts; costs for solely promoting grant 2. Costs of help wanted advertising that includes color, advertising material for other than recruitment purposes, or is excessive in size (OMB A-122, section 44b). 3. Costs of help wanted advertising, special emoluments, fringe benefits, and salary allowances that are not reasonable and do not conform with established practices of the organization (OMB A-122, section 44c)</p>
Advisory Councils or Committees	<u>Not Addressed</u>
Alcoholic Beverages	<u>Unallowable</u>
Alumni/ae Activities	<u>Not Addressed</u>
Audit Costs and Related Services (Audit fees/expenses may not be charged to state-funded grants)	<p><u>Not Addressed</u>, but allowable for audits required by and conducted in accordance with the Single Audit Act (OMB Circular A-133).</p> <p>Other audit costs require prior specific approval of TEA.</p>
Automatic Electronic Data Processing	<u>Not Addressed</u>
Awards for Recognition or Incentives for Participation	Although not specifically addressed in OMB A-122, allowable when reasonable in cost and when necessary to accomplish program objectives. Acceptable awards and incentives include certificates, plaques, ribbons, and small trophies nominal in cost, or inexpensive instructionally related items such as pens/pencils to be used in the classroom.

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Award Ceremonies	<u>Unallowable</u>
Bad Debts	<u>Unallowable</u>
Bonding Costs	<u>Allowable</u> Costs required by terms of the award; costs required by the agency to conduct business in accordance with sound business practice and rates/premiums are reasonable
Budgeting	<u>Not Addressed</u>
Building Purchase	<u>Allowable only with prior specific approval from TEA</u>
Capital Outlay	All capital outlay except for library books and media requires prior specific approval from TEA
Civil Defense	<u>Not Addressed</u>
Commencement & Convocation Costs	<u>Not Addressed</u>
Communication Costs (includes telephone services, local and long distance telephone calls, telegrams, postage, messenger, electronic or computer transmittal services, personal communication devices, etc.)	<u>Allowable</u> <u>Unallowable</u> 1. Communication devices such as Cellular phones, calendaring systems such as personal digital assistants (PDAs), electronic or software calendars 2. Cellular phone calls for personal use are not allowable.
Compensation for Personnel Services (includes salaries, wages, and fringe benefits) (Refer to Instructions to Schedule 3B to "Documentation Required for Charges to Payroll for additional information.)	<u>Allowable</u> if costs are reasonable, comparable for similar work, and charges are supported with time distribution records or other documentation as stipulated in OMB A-122 <u>Unallowable</u> Costs which are unallowable under other paragraphs of this attachment shall not be allowable under this paragraph solely on the basis that they constitute personal compensation.
Conferences and Meetings	<u>Allowable</u> Cost of meetings and conferences including transportation, room rental charges, speakers' fees, and items incidental to these meetings/conferences. (section 29) See section 14, Entertainment costs, which are not allowable, and section 34 Participant support costs) Also see "Food Costs" with regard to meals for conferences and meetings.
Construction, Remodeling, or Alterations	<u>Allowable only with prior specific approval from TEA and only if permitted under the authorizing statute.</u>
Contingencies	<u>Unallowable</u> Exclusion: self-insurance reserves, pension plan reserves, post-retirement health and other benefit reserves (section 8)
Contributions and Donations (See Donations and Contributions)	<u>Unallowable</u> (section 9)
Deans of Faculty and Graduate Schools	<u>Not Addressed</u>
Debt Service	<u>Unallowable</u> for TEA discretionary grants
Defense and Prosecution of Criminal and Civil Proceedings, and Claims	<u>Generally Unallowable; unallowable</u> in defense of antitrust suit or prosecution of claims against federal/state government. Other costs allowable or unallowable as stipulated in OMB A-122, section 10.
Depreciation and Use Allowances of Building Space	<u>Allowable</u> at 2% of original acquisition cost as stipulated in OMB A-122.
Depreciation and Use Allowances of Equipment	<u>Allowable</u> at 6 2/3% of original acquisition cost
Disbursing Service	<u>Not Addressed</u>
Displays, Demonstrations, and Exhibits	<u>Unallowable</u> section 1f(2)(i)
Donations and Contributions	<u>Unallowable</u>
Employee Morale, Health, and Welfare	<u>Allowable</u> as stipulated in OMB A-122, section 13
Employee Service Awards	<u>Unallowable</u>
Entertainment (including amusement, diversion, social	<u>Unallowable</u>

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<p>Equipment and Other Capital Expenditures</p> <p>(May include ancillary charges such as taxes, duty, protective in transit insurance, freight, and installation.)</p> <p>Equipment is defined as an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost which equals or exceeds the lesser of the capitalization level established by the governmental unit, or \$5,000.</p>	<p>Allowable: All capitalized furniture and equipment requires prior specific approval from TEA regardless of the cost.</p> <p>Unallowable</p> <ol style="list-style-type: none"> 1. Capital expenditures for general purpose equipment, land or buildings, improvement to land, buildings, or equipment are unallowable as a direct cost except with prior specific approval from TEA. 2. Equipment and other capital expenditures are unallowable as indirect costs. <p>See section 11 for allowability of use allowances or depreciation on buildings, capital improvements, and equipment. Also see section 46 for allowability of rental costs for land, buildings, and equipment.</p> <p>Items requiring specific approval from TEA must be specifically budgeted and approved in the applicable grant application prior to expending funds.</p>
Executive Lobbying Costs	Unallowable (Not specifically addressed in OMB A-122—closest was section 25(3)(II))
Field Trips	<p>Not specifically addressed in OMB A-122. See TEA Guidelines Related to Specific Costs for clarification of allowable field trips.</p> <p>Unallowable: Field trips for <u>social</u>, <u>entertainment</u> or <u>recreational purposes</u></p>
Fines and Penalties	Unallowable, except when incurred as a result of compliance with specific federal award provisions
Food Costs	<p>Allowable (specific to TEA grants)</p> <ol style="list-style-type: none"> 1. Light lunch during an all-day meeting or training session: Light lunch for participants who are cloistered in an all-day (i.e., at least six-hour) meeting or training session. The grantee must document that it was impractical for participants to obtain lunch on their own (e.g., due to isolated location and/or distance to eateries) and that their attendance at the meeting/training session was essential to accomplishing the objectives of the grant. The grantee must maintain an agenda that clearly identifies the topics discussed during the meeting/training session and the time allotted to each topic, including the lunch period. Only a nominal amount of grant funds may be used per participant. 2. Working lunch during an all-day meeting or training session: Light meals during a "working lunch." A working lunch is defined as an activity in which staff or participants are engaged in exercises/activities during the normal meal time as stated on an agenda and in which no other opportunity for a meal is provided. The grantee must maintain an agenda that clearly identifies the exercise or activity that the participants are engaged in and should 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/participant. 3. Nutritional snacks for students in extended day (i.e., after-school) programs. 4. Nutritional snacks for children in child care while parents are participating in grant activities. 5. Food necessary to conduct <u>nutrition education</u> programs for parents. 6. Parent involvement activities where refreshments are necessary to encourage participation/attendance by parents, such as in low-income areas, and thus meet program activities.

Items of Cost	Non-Profit Organizations (i.e., includes open enrollment charter schools operated by a non-profit organization)
Food Costs Continued	<p>Full meals for parents and/or students are not allowable for these purposes under any circumstances. Expenditures must be <u>reasonable</u>, in cost, <u>necessary</u> to accomplish program objectives, <u>and</u> an <u>integral part</u> of the instructional program.</p> <p>No other food costs, including beverages and other refreshments, breaks, or snacks, are permitted.</p> <p><u>Unallowable</u></p> <ol style="list-style-type: none"> 1. Refreshments of any kind, including beverages, breaks, and snack foods, for staff meetings/staff training 2. Refreshments or meals at an awards banquet/function 3. Any food costs not necessary to accomplish the objectives of the grant program 4. Any event in which a "guest speaker" or other individual conducts a presentation 5. Breakfast <p>TEA reserves the right to restrict a grantee from expending any funds on food costs or to disallow expenditures on food costs should the TEA determine that the grantee expended grant funds on food costs that are not reasonable or necessary to meet the intent and objective(s) of the grant.</p>
Fringe Benefits	<p><u>Allowable</u></p> <p><u>Unallowable</u></p> <p>Costs of insurance when the organization is named as the beneficiary</p>
Fundraising and Investment Management Costs (Including financial campaigns and solicitation of gifts, donations, contributions, etc.)	<u>Unallowable</u>
Gains and Losses on Disposition of Depreciable Property and Other Capital Assets and Substantial Relocation of Federal Programs	<u>Allowable</u> as stipulated in OMB A-122, section 40
General Government Expenses	<u>Not Addressed</u>
Gifts or Items that appear to be Gifts Goods or Services for Personal Use	<u>Unallowable</u>
Gratuities or Tips	<u>Unallowable</u>
Honorariums	<p><u>Not allowable in Texas.</u></p> <p>The term "fee" must be used in lieu of honorarium in all accounting records and consultant agreements.</p>
Hospitality Rooms	<u>Unallowable</u>
Housing and Personal Living Expenses	<p><u>Allowable</u> as direct costs for organization's officers when necessary for performance of grant award with specific approval by TEA.</p> <p><u>Unallowable</u> as fringe benefit or indirect costs regardless of whether the cost is reported as taxable income to employees.</p>
Idle Facilities and Capacity	<u>Unallowable</u> except to the extent that they are normal costs of doing business and are a factor in the normal fluctuations of usage and indirect cost rates, are for a reasonable period of time, are necessary because of changes in program requirements; and capacity is reasonably anticipated to be necessary. (See section 20)

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Insurance and Indemnity	<p>Insurance <u>Allowable:</u></p> <ol style="list-style-type: none"> 1. Insurance required or approved and maintained pursuant to the Federal award. 2. Insurance in connection with general conduct of activities (type, extent and cost of coverage are in accordance with policy and sound business practice; business interruption or other similar insurance limited to exclude coverage of management fees) 3. Costs for insurance or other reserve covering the risk of loss or damage to Federal property only to the extent the organization is liable for such loss or damage. 4. Provisions for a reserve under a self- insurance program to the extent that types of coverage, extent of coverage, rates, and premiums would have been allowed. 5. Losses not covered under nominal deductible insurance coverage <p>6. Minor losses not covered by insurance, which occur in the ordinary course of operations</p> <p>NOTE: <u>Ed-Flex</u> programs do not require prior approval from TEA. For all other grant programs, these costs must be specifically budgeted and approved in the applicable grant application prior to expending funds.</p> <p><u>Unallowable</u></p> <ol style="list-style-type: none"> 1. Insurance when the organization is identified as the beneficiary 2. Insurance against defects 3. Actual losses which could have been covered by permissible insurance except with specific approval or requirement from TEA. <p>Indemnification Includes securing the LEA against liabilities to third persons and other losses not compensated by insurance or otherwise. The federal government is obligated to indemnify the LEA only to the extent expressly provided for in the award, except as provided in the award.</p>
Interest	<p><u>Allowable</u></p> <ol style="list-style-type: none"> 1. Interest on debt incurred to acquire or replace capital assets (including renovations, alterations, equipment, land, and capital assets acquired through capital leases) as specified in OMB A-122, section 23. 2. For non-profit organizations subject to full coverage under the Cost Accounting Standards, the interest allowability provisions in OMB A-122, section 23(a) do not apply but are subject to CAS 414 (48 CFR 9903.414) and CAS 417 (48 CFR 9903.417). <p><u>Unallowable</u> Costs incurred for interest on borrowed capital or temporary use of endowment funds, however represented.</p>
Investment Management Costs	<p><u>Allowable</u> if for pensions or self-insurance funds. <u>Unallowable</u> Costs of investment counsel and staff and similar expenses incurred solely to enhance income from investments</p>
Labor Relations	<p><u>Allowable</u> as specified in OMB A-122, section 24.</p>
Lease-Purchases (i.e., debt service)	<p><u>Unallowable</u> for TEA discretionary grants</p>
Legal Expenses	<p><u>Allowable</u> when required for the administration of the grant program. <u>Unallowable</u> for legal expenses for claims against the federal or state government.</p>
Legislative Expenses and expenses for similar governmental bodies (such as school boards)	<p><u>Unallowable</u></p>
Lobbying	<p><u>Unallowable</u></p>
Losses on Other Awards	<p><u>Unallowable</u></p>

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Losses which could have been covered by permissible insurance	<u>Allowable</u> only with prior specific approval from TEA
Maintenance, Operations, and Repairs	<p><u>Allowable</u> Costs incurred for necessary maintenance, repair, or upkeep of buildings and equipment which neither add to the permanent value of the property nor appreciably prolong its intended life, but keep it in an efficient operating condition.</p> <p>Costs for improvements which add to the permanent value of buildings or equipment appreciably prolong its intended life shall be treated as capital expenditures. (OMB A-122, Section 15)</p>
Materials and Supplies	<u>Allowable</u>
Meetings and Conferences (Includes rental of meeting space and equipment; supplies/materials/consultant fees, etc.) See "Conferences and Meetings"	<p><u>Allowable</u></p> <ol style="list-style-type: none"> 1. Costs associated with the conduct of meetings and conferences, including renting facilities, meals, speakers' fees, and the like. 2. Meetings and conferences held to conduct the general administration of the organization. <p><u>Unallowable</u> Grant funds may not be used to pay for souvenirs, memorabilia, promotional items, (i.e., give-aways) or gifts</p>
Memberships	<p><u>Allowable</u></p> <ol style="list-style-type: none"> 1. Membership in business, technical, and professional organizations related to the grant program. Membership must be in the name of the grantee organization and not in the name of an individual. 2. Membership in civic and community organizations are allowable with prior specific approval from TEA. <p>NOTE: <u>Ed-Flex</u> programs do not require prior approval from TEA. <u>For all other grant programs</u>, these costs must be specifically budgeted and approved in the applicable grant application prior to expending funds.</p> <p><u>Unallowable</u> Membership in any country club or social or dining club or organization.</p>
Memorabilia	<u>Unallowable</u>
Motor Pools	<u>Not Addressed</u>
Organization Costs (Related to the establishment or reorganization of an organization such as management consultants, accountants, attorneys, or investment consultants)	<p><u>Unallowable</u> EXCEPT with prior specific approval of TEA to establish or reorganize the organization.</p> <p>These costs must be specifically budgeted and approved in the applicable grant application prior to expending funds.</p>
Participant Support Costs (such as stipends, travel, registration fees, etc.)	<p><u>Allowable</u> with prior specific approval from TEA.</p> <p>NOTE: <u>Ed-Flex</u> programs do not require prior approval from TEA. <u>For all other grant programs</u>, these costs must be specifically budgeted and approved in the applicable grant application prior to expending funds.</p>

Items of Cost	Non-Profit Organizations (i.e., includes open enrollment charter schools operated by a non-profit organization)
Patents	<p><u>Allowable</u></p> <ol style="list-style-type: none"> 1. Preparation of disclosures, reports, and other documents required by the grant. 2. Preparation of documents and other patent costs in connection with filing and prosecution of the U.S. patent application where title and royalty-free license is required by the federal government to be conveyed to the federal government. 3. General counseling related to patent and copyright matters, such as advice on patent and copyright laws, regulation clauses, and employee agreements. <p><u>Unallowable</u></p> <ol style="list-style-type: none"> 1. Preparation of disclosures, reports, and other documents not required by the grant. 2. Costs associated with filing and prosecuting foreign patent applications or any U.S. patent application where conveyance of title or royalty-free license is not required by the award.
Plant and Homeland Security Costs	<p><u>Allowable</u></p> <p>Necessary expenses incurred to comply with Federal security requirements or for facilities protection.</p>
Pre-Award (pre-agreement) Costs	<p><u>Allowable</u> only to the extent that they would have been allowable if incurred after the effective date of the award. Any pre-award costs must be specifically approved by TEA.</p> <p>NOTE: <u>Ed-Flex</u> programs do not require specific approval from TEA. <u>For all other grant programs</u>, these costs must be specifically budgeted and approved in the applicable grant application prior to expending funds.</p> <p><u>Unallowable</u> unless specific approval is given by TEA.</p>
Professional and Consultant Services Professional/consulting services are delivered by an independent contractor (individual, entity, or firm) on a fee basis for specialized services that are usually considered to be temporary or short-term in nature, normally in areas that supplement the expertise of the grantee. Includes evaluation, professional development/training, management services, legal services, etc.	<p><u>Allowable</u> with prior specific approval from TEA. Professional and consultant services are allowable only when provided by non-employees and when the grantee organization does not possess the expertise. See OMB A-122, section 39b for specifications of allowability.</p> <p>"Honorariums" are not allowable costs in Texas. The term "fee" must be used in lieu of honorarium in all accounting records and consultant agreements.</p>
Promotional Items, such as T- shirts, caps, tote bags, key chains, imprinted pens, etc.	<p><u>Unallowable</u></p>
Proposal Costs (i.e., preparing grant applications/proposals)	<p><u>Not Addressed</u></p> <p>NOTE: <u>Ed-Flex</u> programs do not require prior approval from TEA. <u>For all other grant programs</u>, these costs must be specifically budgeted and approved in the applicable grant application prior to expending funds.</p> <p><u>Unallowable</u></p> <ol style="list-style-type: none"> 1. TEA does not allow costs for preparation of grant applications/proposals for competitive discretionary grants. 2. Costs for preparation of applications/proposals to obtain OTHER grant monies.

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Public Relations	<u>Allowable</u> <ol style="list-style-type: none"> 1. Costs specifically required by the award 2. Costs of communicating with the public and press regarding specific activities 3. Costs related to keeping the public informed on matters of public concern and as specified in OMB A-122, Attachment B, section 1d. 4. Costs identified in OMB A-122, Attachment B, sections c. and d. incurred for more than one award or for both sponsored work and other work of the LEA to the extent that the principles in Attachment A, sections E and C are observed. <u>Unallowable</u> Costs of public relations designed solely to promote the grantee.
Publication and Printing Costs (includes distribution and mailing of publications)	<u>Allowable</u> as indirect costs NOTE: Ed-Flex programs do not require specific approval from TEA. For all other grant programs, these costs must be specifically budgeted and approved in the applicable grant application prior to expending funds. <u>Unallowable</u> as direct costs EXCEPT with prior specific approval from TEA.
Rearrangements and Alterations	<u>Allowable</u> only with prior specific approval from TEA
Reconversion Costs	<u>Allowable</u> to restore or rehabilitate a facility to approximately the same condition existing immediately prior to the grant award (less costs related to fair wear and tear).
Recruiting and Relocation Costs	<u>Allowable</u> as specified in OMB A-122, section 24. <u>Unallowable</u> <ol style="list-style-type: none"> 1. Costs of help wanted advertising that includes color, advertising material for other than recruitment purposes, or is excessive in size 2. Costs of help wanted advertising, special emoluments, fringe benefits, and salary allowances that are not reasonable and do not conform with established practices of the organization 3. Fees and other costs associated with acquiring a new home. 4. Loss on a sale of a former home. 5. Continuing mortgage principal and interest payments on a home being sold. 6. Income taxes paid by the employee related to reimbursed relocation costs.
Reference Materials	<u>Not specifically addressed</u> , but allowable when related to the grant program
Refreshments See "Food Costs"	<u>Unallowable</u> except for parent involvement activities to encourage parents in low-income areas to attend
Remodeling or Renovation	<u>Allowable</u> only with prior specific approval
Rental Costs of Buildings and Equipment	<u>Allowable</u> to the extent that the rates are comparable to that of other rental property in the locale and as specified in OMB A-122, section 46. <u>Unallowable</u> Amounts paid for profit, management fees, and taxes that would not have been incurred had the organization purchased the facility.
Royalties and Other Costs for the Use of Patents	<u>Allowable</u> as specified in OMB A-122, section 24.
Sabbatical Leave	<u>Not Addressed</u>
Scholarships, Fellowships, and Other Student Aid Costs	<u>Unallowable</u>
Selling and Marketing	<u>Unallowable</u> unless allowed under section 1, as allowable public relations costs or allowable as direct costs with prior specific approval from TEA when they are necessary for the performance of Federal programs.

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Severance Pay	<p><u>Allowable</u></p> <ol style="list-style-type: none"> 1. If required by law, employer- employee agreement, or established written policy 2. Associated with normal turnover 3. Abnormal or mass severance pay considered on a case-by-case basis and ONLY if approved by TEA. <p><u>Unallowable</u></p> <ol style="list-style-type: none"> 1. Severance packages in excess of normal payment paid to the employee contingent on change in management control over or ownership of the organization's assets. 2. Payments to foreign nationals employed by the organization outside the U.S. to the extent the amount exceeds customary practices for the organization unless necessary for the performance of Federal programs and approved by TEA. 3. Payments made to foreign nationals employed by the organization outside the US because of termination is a result of the closure or curtailment of activities unless they are necessary for the performance
Social Activities	<u>Unallowable</u>
Souvenirs	<u>Unallowable</u>
Specialized Service Facilities	<u>Allowable as specified in OMB A-122, section 24.</u>
Stipends for Non-Employees (i.e., participant support costs)	<u>Allowable</u> with prior specific approval from TEA.
Student Activity Cost	<u>Not Addressed</u>
Subscriptions	<u>Allowable</u> for business, professional, and technical periodicals when related to the grant program. Subscriptions must be in the name of the grantee organization and not in the name of an individual.
Superintendent Salaries	<u>Unallowable</u>
Taxes	<u>Allowable as specified in OMB A-122, section 24.</u>
Termination of Grant Award	<p><u>Generally Allowable</u></p> <ol style="list-style-type: none"> 1. If, despite all reasonable efforts by the LEA, certain costs cannot be discontinued immediately after the effective date of termination, such costs are generally allowable within the limitations in OMB A-122, section 52 2. Loss of useful value of special tooling, machinery, and equipment. 3. Rental costs under unexpired leases where clearly shown to have been reasonably necessary for the performance of the award. 4. Settlement expenses (OMB A- 122, section 52 for specifics) 5. Claims under subawards, including allocable portion of claims which are common to the grant and other work of the LEA <p><u>Unallowable</u> Items reasonably usable on the organization's other work unless the organization submits evidence that it would not retain such items at cost without sustaining a loss.</p>
Tips or Gratuities	<u>Unallowable</u>

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Training and Education	<p><u>Allowable</u></p> <ol style="list-style-type: none"> 1. Training for employee development (See OMB A-122, section 53 for specifics) 2. Although college level courses are allowable under the federal cost principles when the courses are relative to the field in which the employee is now working or may reasonably be expected to work, TEA allows college level courses only when the course is directly related to the purposes of the grant program. See 53b (1)-(6) and 53c for limitations. 3. Attendance for specialized programs to enhance effectiveness of executives or managers or to prepare employees for such positions. See 53d for limitations 4. Training and education costs in excess may be allowed with prior specific approval of TEA <p><u>Unallowable:</u> Contributions or donations to educational or training institutions</p>
Transportation Costs (See Field Trips in the TEA Guidelines Related to Specific Costs)	
Transportation of goods	<u>Allowable for transporting goods purchased with grant funds.</u>
Travel Costs (employees) See Travel Costs in the TEA Guidelines Related to Specific Costs for further clarification and guidance related to allowable travel costs and for requirements for travel documentation.)	<p><u>Allowable</u></p> <p>Travel costs are allowable for employees traveling on official business incidental to the grant program.</p> <p>For all travel, if local policy is less than the maximum allowable state rates, reimbursement may not exceed local policy. If local policy is more than the maximum allowable state rates, the difference must be paid from state or local sources.</p> <p>Airfare at lowest available airfare.</p> <p>Car rental (allowable only where rental car is more cost effective than other transportation such as taxi or shuttle). Mileage—In State and Out of State Not to Exceed:</p> <p>7/1/08-12/31/08: 58.5 cents per mile 1/1/09-12/31/09: 55 cents per mile</p> <p>As of 1/1/10: 50 cents per mile Registration fees to attend conferences/seminars.</p> <p>Meals and Lodging</p> <p>For day trips (i.e., no overnight stay), travel must be outside designated headquarters and must be more than six consecutive hours. Employee may be reimbursed for actual cost of meals, not to exceed \$36.</p> <p>(Corporate) Credit Card Charges:</p> <p>TEA will reimburse costs charged to the grant using corporate credit cards only when the accounting ledger reflects each individual charge on the credit card statement by:</p> <ul style="list-style-type: none"> The individual vendor name (not just the credit card company name) The grant funding source/code The expense category (i.e., supplies, instructional materials, equipment, travel, etc.) The actual date of the charge (as opposed to the billing statement or the date the credit card bill was paid) <p>The grantee must maintain the original itemized receipt that identifies each item purchased (and not just the credit card receipt). The grantee must also maintain all other appropriate internal accounting records, such as travel vouchers, expense reimbursement vouchers, purchase orders, etc.</p> <p><u>In-State Travel Prior to 9/1/09:</u></p> <p>For overnight trips, actual cost of lodging not to exceed \$85 per night (effective 9/1/05-8/31/09).</p> <p>Actual cost of meals not to exceed \$36 per day (effective 9/1/05-8/31/09).</p>

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Travel Costs (employees)	<p><u>In-State Travel As of 9/1/09 and All Out-of-State Travel:</u> For overnight trips (in state and out of state), the employee is reimbursed for the actual cost of lodging and meals, not to exceed the maximum meals and lodging rates based on the federal travel regulations for the locale.</p> <p>Foreign Travel Foreign travel is any travel outside Canada, Mexico, the United States, and any United States territories and possessions. Foreign travel is generally not permitted by TEA. However, direct charges are allowable only when foreign travel has received prior specific approval of TEA in the grant application. Each separate foreign trip must receive approval. Prior specific approval is applicable to Ed-Flex programs for foreign travel.</p> <p><u>Unallowable</u> The difference between first-class air accommodations and less than first-class air accommodations except when less than first-class air accommodations are not reasonably available to meet necessary mission requirements. (OMB A-122, section 55c for specifics)</p> <p><u>Travel allowances, where the employee receives the per diem regardless of actual expenses, are unallowable in Texas.</u></p>
Travel (in-state or out-of-state) for Non-Employees or for Students (does not include field trips)	<p><u>Allowable</u> costs for travel and subsistence subject to restrictions regarding lodging, subsistence and air travel costs provided in section 55. See "Travel Costs."</p>
Trustees or Board of Directors	<p><u>Allowable</u> costs for travel and subsistence subject to restrictions regarding lodging, subsistence and air travel costs provided in section 55. See "Travel Costs."</p>
Tuition and Fees related to tuition	<p><u>Allowable</u> as it pertains specifically to the grant program</p>
Tuition Remission	<p><u>Not Applicable</u></p>
Under-Recovery of Costs under Federal Agreements	<p><u>Not Addressed</u></p>
Utilities	<p><u>Not Addressed</u></p>