

TEA, as the pass-through entity¹, is the grantee² from the U.S. Department of Education (USDE) and TEA awards subgrants to non-federal entities³ such as local educational agencies (LEAs), including school districts, charter schools, and education service centers, and to a lesser degree institutions of higher education (IHEs), and nonprofit organizations (NPOs) who are the agency's subgrantees⁴. These instructions apply to all subgrantees of TEA, regardless of whether referenced herein as subgrantee or grantee. For purposes of this document, TEA may use the terms grantee and subgrantee synonymously for its subrecipients.

¹ Pass-through entity is defined as a non-Federal entity that provides a subaward to a subrecipient to carry out part of a federal program. (2 CFR 200.74)

² Grantee is defined as the legal entity to which a grant is awarded and that is accountable to the federal government for the use of the funds provided. The term "grantee" does not include any secondary recipients, such as subgrantees and contractors that may receive funds from a grantee. (34 CFR 77)

³ Non-federal entity is defined as a state, local government, Indian tribe, institution of higher education, or nonprofit organization that carries out a federal award as a recipient or subrecipient. (2 CFR 200.69)

⁴ Subgrantee is defined by TEA to be the same as a subrecipient which is defined as a non-federal entity that receives a subaward from a pass-through entity to carry out part of a federal program; but does not include an individual that is a beneficiary of such program. (2 CFR 200.93) Subgrantee is defined in 34 CFR 77 as the legal entity to which a subgrant is awarded and that is accountable to the grantee for the use of the funds provided.

Be sure to save your entries as you complete each part of this schedule and before exiting to the table of contents.

BS6001—Program Budget Summary

The budgeted amounts for program costs and administrative costs, as applicable, for each class/object code are summarized on this schedule. *All expenditures, including amounts budgeted for items not requiring specific approval, must be budgeted within an appropriate class/object code to be reimbursed by TEA. In other words, to expend funds in any class/object code, you must have funds budgeted and approved in that class/object code.*

All applicants must complete Schedule BS6001. The schedule reflects the total funds budgeted for each funding source. All items requested must be allowable expenditures under the authorizing program statutes, regulations, rules, and guidelines. The subgrantee must maintain auditable documentation to ensure all costs were planned for and are included in the campus improvement plan or district improvement plan. Additionally, the subgrantee is required to maintain records on all expenditures according to the Financial Accounting and Reporting (FAR) Module of the Financial Accountability System Resource Guide.

Part 2 of the BS6001 summarizes budgeted information by class/object code as well as by funding source.

The following budget schedules contain the budgeted information for items that either require specific approval under the Federal Cost Principles or that are of particular interest to our stakeholders. To be reimbursed by TEA for an item that requires specific approval, it must be properly budgeted in the grant application. The budget information is as follows:

BS6101 – Payroll Costs—All payroll costs require specific approval.

BS6234 – Budget Support

BS6501 – Debt Service—All debt service costs require specific approval.

BS6601 – Capital Outlay—All capital outlay costs require specific approval.

Resources

It is important that you refer to the **Program Guidelines** to find out if certain costs are allowable or unallowable under the grant program included in this application. In addition, below is a summary of resources commonly needed to properly budget and manage grant funds. These items are located on the Grants Administration Division [Administering a Grant](#) page:

- The New EDGAR
- General and Fiscal Guidelines
- Amendment Submission Guidance
- Handbooks and Other Guidance
- Allowable Cost and Budgeting Guidance

Amendments

For guidance on when to amend the application, refer to **Amendment Submission Guidance** on the [Administering a Grant](#) page.

Specific Instructions for Completing BS6001

Statutory Authority

Information identifying the statute authorizing the grant program prefills in this area.

Part 1: Available Funding

View List of SSA Members

Click this button to generate a report that allows the fiscal agent, of a Shared Service Arrangement (SSA), to view a list of member districts for each fund source and their individual planning or final amounts, as applicable. This report can be generated periodically to ensure that all members have completed their ADC forms.

To print the report, click the printer icon on the Adobe Reader toolbar. **Important:** Do not attempt to print using the printer button from the Internet browser toolbar.

Funding Status

Based upon your responses to the ADC form, the fund sources for which you have joined an SSA have been prefilled **SSA**. Likewise, the fund sources for which you are not eligible or are not applying have been prefilled **NP** for nonparticipant.

Funding Information

The fields in the following rows are prefilled based on your responses to the Applicant Designation and Certification (ADC) form and your funding amounts. It is not possible for you to alter the information that appears in these fields.

- Prior-Year Project, if applicable (A check indicates there was a prior-year project.)
- NOGA ID Number
- Planning Amount
- Final Amount (when available)
- Carryover (when available)
- Reallocation (if applicable)
- Total Funds Available

Part 2: Budgeted Costs

Consolidated Administrative Funds

For each applicable fund source, click the button that indicates whether or not you are requesting consolidation of administrative funds.

If your district consolidates administrative funds, a [Consolidation of Administrative Costs](#) form must be completed, maintained locally, and submitted to TEA upon request.

Consolidation of Administrative Funds by Local Educational Agencies

LEAs are allowed to consolidate federal grant funds from several federal grant programs in order to pay for the costs associated with the administration of those programs. The federal grant programs eligible for this consolidation are those awarded under the Every Student Succeeds Act of 2015 (ESSA). The authorizing statute is the Elementary and Secondary Education Act of 1965 (ESEA), Title VIII, Part B, Sec. 8201 and Sec. 8203. Please note that LEAs must receive approval from TEA to consolidate their administrative funds.

Flexibility Offered by Consolidating Administrative Funds

Consolidating administrative funds provides flexibility to LEAs by allowing them to charge administrative costs to an administrative cost pool instead of assigning specific costs to specific programs. As long as the cost is an allowable administrative activity under any of the programs that have been consolidated, it may be charged to any of the consolidated administrative funds.

In addition, the consolidated funds may be treated as one cost objective, so LEAs are not required to maintain personnel activity reports to document the time spent by employees on administrative activities performed exclusively for the programs that contribute to the pool. For these employees, LEAs must still maintain semi-annual certifications, or their equivalents, and identify the administrative cost pool as the cost objective.

Eligible Programs

The ESSA programs listed in the table below may be included in the consolidation of administrative funds. The table also shows the maximum percentage of each LEA's total allotment that may be used for administrative costs. For those programs without a maximum percentage, LEAs can use a percentage that is reasonable and necessary for the proper and efficient administration of the program.

ESSA Program	Maximum Percentage
Title I, Part A—Improving Basic Programs	Reasonable and necessary
Title I, Part C—Migrant Education	Reasonable and necessary
Title I, Part D—Neglected and Delinquent Children	Reasonable and necessary
Title II, Part A—Supporting Effective Instruction	Reasonable and necessary
Title III, Part A—ELA	2% of direct administration
Title III, Part A—Immigrant	Reasonable and necessary
Title IV, Part A—SSAEP	2% of direct administration
Title IV, Part B—21st Century Community Learning Centers	5%
Title V, Part B—Rural and Low-Income School Program	variable (see <i>Program Guidelines</i>)

TEA Approval to Consolidate Administrative Funds

Your LEA must request approval from TEA to consolidate administrative funds. You do this either by indicating the specific ESSA programs that you will consolidate on Schedule BS6001 of your ESSA Consolidated Federal Grant Application, or by indicating that you will consolidate administrative funds on the appropriate schedule of other ESSA grant applications. If your request is approved, the approval is valid only for the fiscal year for which your application is submitted and approved.

Once TEA approves your grant application and issues your Notice of Grant Award (NOGA), you can assume that your request to consolidate administrative funds is also approved. TEA will not issue a separate approval. Your LEA will then have to complete a form that indicates the total amounts you plan to consolidate from each funding source, as well as the percentage of each funding source allotment that you plan to consolidate. You must keep and maintain this form so that it may be provided to your independent auditor or to TEA monitors if your LEA is selected for a review.

During the grant negotiation process for ESSA grants, some LEAs may be required to submit the completed form to TEA. Please note that TEA negotiators will review the form to ensure that consolidated amounts are within the maximum percentage, as applicable, but cannot ensure that amounts for programs without a maximum percentage are reasonable and necessary. That judgement can only be made by the LEA's independent auditor or by a TEA monitor.

Direct Program Cost

Direct program costs are those costs that are directly associated with carrying out daily grant activities.

Program costs usually include the following:

- Program coordinator/director salary for time spent on carrying out program activities
- Instructional personnel (such as teachers, instructional aides, or tutors)
- Professional development for teachers
- Supplies and materials for carrying out program activities
- Equipment for carrying out program activities
- Other operating costs expended in carrying out daily program activities

Administrative Cost

Administrative costs include both direct and indirect costs related to the overall management of the grant program. Costs for the subgrantee's overall grant management, coordination, monitoring, and evaluation costs are eligible administrative costs. When budgeting administrative costs, the subgrantee must consistently classify the costs as direct or indirect costs. The applicant is strongly encouraged to consult with the business office to correctly budget funds as direct or indirect administrative costs.

Direct administrative costs

Direct administrative costs include the following:

- Accounting and other fiscal activities, including reporting expenditures to TEA
- Auditing

- Overall program administration
- Evaluating and reporting on the progress and results of the grant program
- Monitoring compliance with the program requirements
- Salaries and benefits for staff who supervise activities of program staff, perform fiscal and reporting activities related to the grant
- Insurance that protects the subgrantee
- Direct administrative costs included in an approved direct cost allocation plan

Refer to the Program Guidelines to determine whether any percentage limit applies to administrative costs for each grant program.

Indirect Costs

Indirect costs are those organizational costs that are not readily identified with a particular project activity but are necessary for the subgrantee's general operation and the activities it performs. Costs must be treated consistently either as direct or indirect among all funding sources.

Indirect costs are calculated and reimbursed based on actual expenditures when reported in the expenditure reporting system, regardless of the amount budgeted and approved in the grant application.

6100 Payroll Costs

This category of costs is for all employee payroll costs paid with grant funds. All employee payroll costs require specific approval. Only request funds that are necessary to fulfill your project objectives.

Report all applicable gross salaries, wages, and benefits to be charged to the program. Only employee costs are included on this line item. Do not list costs for people who are not employees (consultants or contractors).

For each applicable fund source included in the application, type the amounts budgeted for payroll costs. Make sure all positions funded by each grant program are identified in **BS6101**. If you entered a number in **BS6101**, you must enter an amount in this row for the corresponding fund source.

6200 Professional and Contracted Services

This category of costs is for those related to professional, consulting, and contracted services. Use this line item to budget for services delivered by an independent contractor (individual entity or firm) who is not on your organization's payroll and who offers its services to the public. All items requested must be allowable under the authorizing program statutes, regulations, and rules. Normally, professional and contracted services represent a complete service that is rendered for the subgrantee, and no attempt should be made to separate labor from supplies. Only request funds as necessary to fulfill your project objectives.

For each applicable fund source included in the application, type the amounts budgeted for professional, consulting, and contracted services.

6300 Supplies and Materials

This category of costs is for supplies and materials. Use this line item to request supplies and materials costs necessary for the operation of each grant program. **Supplies** are all tangible personal property that do not fall under the definition of equipment. **Equipment** is tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000.

A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the subgrantee for financial statement purposes or \$5,000, regardless of the length of its useful life.

Computing devices are machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or “peripherals”) for printing, transmitting and receiving, or storing electronic information.

Information technology systems means computing devices, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources.

For each applicable fund source included in the application, type the amounts budgeted for supplies and materials. Only request funds as necessary to fulfill your project objectives.

6400 Other Operating Costs

This category of costs is for other operating costs such as travel, stipends to nonemployees, publication and printing, memberships, and educational field trips. Use this line item to request such other operating costs as allowable under the authorizing program statutes, regulations, and rules.

[Out-of-state travel](#) for employees and school officials, [educational field trips](#), and [hosting conferences](#) for nonemployees do not require justification forms to be submitted to TEA. If you plan on using grant funds for these items, you will be required to complete the appropriate [TEA justification form\(s\)](#) and retain the documentation at the local level. You must keep and maintain this form so that it may be provided to your independent auditor or to TEA monitors if your LEA is selected for a review. A **conference** is defined as a meeting, retreat, seminar, symposium, workshop, or event whose purpose is to disseminate technical information and is necessary and reasonable for successful performance of the grant.

For each applicable fund source included in the application, type the amounts budgeted for other operating costs.

6500 Debt Service

This category of costs includes lease-purchases. Lease-purchases must be allowable expenditures under the authorizing program statutes, regulations, and rules. This class/object code is used to budget funds to retire the principal of long-term capital lease-purchases and to pay interest accrued on those purchases. Only request funds necessary to fulfill your project objectives. All costs related to a lease-purchase must be specifically approved by TEA in the grant application.

For each applicable fund source included in the application, type the amounts budgeted for debt service. If funds are budgeted in line 6500, then the **BS6501** must be completed.

6600 Capital Outlay

This category of costs is for all capital assets, including those under \$5,000 and those of \$5,000 or more. All capital outlay regardless of the unit cost requires specific approval. Items requested must be allowable expenditures under the authorizing program statutes, regulations, rules, and guidelines. Funds may be used to purchase capital outlay only when necessary to accomplish project objectives.

For each applicable fund source included in the application, type the amounts budgeted for capital outlay. If funds are budgeted in line 6600, then the **BS6601** must be completed.

8911 Operating Transfers Out

Use this class/object code to budget operating expenses transferred out of one fund to another. An operating transfer is a legally authorized transfer between funds in which one fund is responsible for the receipt of funds and another fund is responsible for the actual disbursement. Also referred to as an “interfund transfer,” operating transfers result in the reduction of a fund’s expendable resources, but they are not classified as expenditures. You will record an **Operating Transfer Out** (object code 8911) from the appropriate federal fund code, and record an **Operating Transfer In** (object code 7915) to the appropriate locally defined special revenue fund code.

The primary use of 8911 is for combining funds for use in schoolwide programs authorized by Title I, Part A of the Every Student Succeeds Act.

LEAs using funds for schoolwide programs should consult the Federal Flexibility Initiative page for [Schoolwide Programs](#) guidance and the Title I, Part A, program guidelines that accompany the [ESSA Consolidated Federal Application](#) prior to making any decisions to combine funds on a schoolwide program.

Technical assistance on schoolwide program requirements and accounting for funds combined on schoolwide campuses is available at the regional ESCs.

If you choose to budget funds from any fund source for your Title I schoolwide campuses under 8911, you are not required to reflect the 8911 amount on the budget schedules for that fund source. However, you must submit all applicable program schedules. Remember that 8911 is a Schoolwide code that does not include any personnel, reservations, or purchases to be made at the district level.

If an LEA puts any amount of funding in 8911, they must check either “Federal Funds Only” or “Federal/State/Local” on the SC5000 as 8911 indicates a consolidation of funds at the campus.

Indirect Costs

Any amount listed for indirect costs on the Budget Summary is an estimate only. Indirect costs are claimed based on actual expenditures declared on the expenditure reporting system, regardless of whether you have included indirect costs on the Budget Summary in the original application or amendment. Do not submit an amendment solely for the purpose of budgeting indirect costs.

For guidance on indirect costs refer to the [Indirect Cost Handbook](#) posted on the Administering a Grant page.

Type an amount not to exceed the maximum allowable indirect costs rate, if applicable, for each applicable funding source.

Total Budgeted Costs

This row displays the total budgeted costs for each fund source.

Total Funds Available Minus Total Costs

For each funding source, this row shows the results of **Total Budgeted Costs** subtracted from the **Total Available Funds**. The totals in this row must be zero, as you must apply for the entire funding amount. If the totals do not equal zero, you must adjust the budget to reflect the total available funds for each funding source.

Shared Services Arrangements

6493 Payments to Member Districts of SSA

If this application is for an SSA, the amounts budgeted in the **BS6001 – Program Budget Summary**, Part 3, is a composite of all amounts requested by the fiscal agent and its member districts. Line **6493 Payments to Member District of SSA** serves as a footnote only and is used to identify funds that will be flowed/paid out to member districts of a SSA. This footnote represents the amount of funds that will not be retained by the fiscal agent for SSA purposes. This amount, in line 6493, will duplicate all or a portion of the amounts budgeted in **Part 3: Budgeted Costs**.

It is mandatory that the fiscal agent maintain individual and member district expenditure data because these records are auditable. A detailed list of expenditures by the member districts must support the expenditure reports that the fiscal agent retains. The fiscal agent is responsible for ensuring that all funds, including payments to member districts, are expended in accordance with applicable laws and regulations.

For each funding source, type the total amount of payments to SSA member districts. These costs must also be budgeted in the appropriate class/object codes.

Note: Member districts of an SSA that receive flow-through funds from the fiscal agent must report expenditures to the fiscal agent by object code of expenditure. The fiscal agent will submit composite expenditures by class/object code to TEA on behalf of all member districts and the fiscal agent.