

EDGAR Compliance

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U.S. Department of Education

Student Loans

Grants

Laws

LAWS & GUIDANCE / GRANTS & CONTRACTS

Education Department General Administrative Regulations (EDGAR) and Other Applicable Grant Regulations

Title 34, Code of Federal Regulations (CFR), Parts 75-79, 81 to 86 and 97-99 EDGAR is currently in transition. For awards made prior to 12/26/2014, EDGAR Parts 74 and 80 still apply. For awards made on or after 12/26/2014, 2 CFR Part 200, which includes the substance formerly in parts 74 and 80, applies.

For more information on the transition to 2 CFR Part 200, see the [Uniform Guidance Technical Assistance for Grantees](#)

You can view current versions of the EDGAR Parts of Title 34 at the [e-CFR website](#), a regularly updated, unofficial, non-legal edition of the CFR, created in a partnership between the Office of the Federal Register and the Government Printing Office. The e-CFR links for most of EDGAR are given below. Parts 74 and 80 are only found on the Government Printing Office site for annual CFRs.

2 CFR As amended through December 19, 2014

[PART 200—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS](#)

[PART 180—OMB GUIDELINES TO AGENCIES ON GOVERNMENTWIDE DEBARMENT AND SUSPENSION \(NONPROCUREMENT\) \(current version\)](#)

[PART 3474—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS \(current version\)](#)

[PART 3485—NONPROCUREMENT DEBARMENT AND SUSPENSION \(current version\)](#)

Contracts, Grants and Financial Administration

www.tea.texas.gov/Finance_and_Grants/Grants/

- Title I, Part A
- Title I, Part D
- PNP Schools Equitable Services

Program Offices



Grants Administration



Federal Fiscal Compliance and Reporting



Purchasing and Contracts



Federal Fiscal Monitoring





Procurement

1. What are the methods of procurement allowed under EDGAR
2. Which method should be used?
3. What documentation must be kept?

2 CFR 200.320



Obligation of Federal Funds

1. What is an obligation under EDGAR?
2. When can federal funds be obligated?
3. When can travel expenses be obligated and paid?

34 CFR 76.707

Methods of Procurement

Micro-purchase

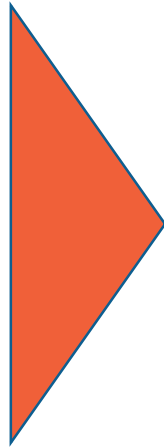
Small Purchase

Sealed Bids or
Competitive
Proposals

Noncompetitive
Proposals

Methods of Procurement

Micro- purchase



Aggregate cost not to exceed **\$3,500**

Price must be reasonable

Distributed among qualified vendors,
as applicable

Intent is to reduce administrative
burden for purchase of small items

Methods of Procurement

Small Purchase



Simple and informal method for purchases above **\$3,500** but less than **\$150,000**

Price or rate quotations from adequate number of sources (minimum of two or LEA policy)

Use a selection matrix to document decision on vendor

Choose the vendor that is most advantageous to the LEA (best fit)

Methods of Procurement



State Rules Apply

For purchases of **\$50,000 or more**, **competitive procurement** is required

See the *Financial Accountability Resource Guide (FASRG)* Purchasing Module for competitive procurement options

Small
Purchase

Methods of Procurement

Sealed Bids or
Competitive
Proposals



Under EDGAR, purchases at **\$150,000** and above require competition

A federal cost or price analysis is required

State procurement rules in FASRG also apply

Methods of Procurement

Noncompetitive Proposals



Can only be used when one or more of the following apply:

1. The item is available only from a single source (sole source)
2. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation. (Example: Hurricane Harvey)

Noncompetitive Proposals



3. TEA expressly authorizes noncompetitive proposals in response to a written request from the subgrantee
4. After solicitation of a number of sources, competition is determined inadequate

Obligation of Federal Funds

Obligations

When used in connection with a non-Federal entity's utilization of funds under a Federal award, **obligations** means orders placed for property and services, contracts and subawards made, and similar transactions during a given period that require payment by the non-Federal entity during the same or a future period.

Source: www.grants.gov

When Can You Obligate Federal Funds?

34 CFR 76.707

Personal Services

by an **employee** of the subgrantee

When the services are performed

Personal Services

by a **contractor** of the subgrantee

On the date on which the subgrantee makes a binding written commitment to obtain the services (signed contract)

Performance of work

other than personal services

Travel

When travel is taken

Rental

of real or personal property

When the subgrantee uses the property

Contracted Services

Is it allowable to obligate federal funds prior to receiving services by having a signed contract by both parties for consultant services?

In accordance with 34 CFR 76.707, *contracts* obligate to a federal grant when the contract is executed (i.e. signed by both parties). However, the **cost** would not be allowable to the grant unless the work was actually done.



You will be hosting a conference in May 2018. You decide to contract with a speaker to present at your conference and sign the contract on February 1, 2018. The speaker plans to present on May 10, 2018. If using federal grant funds to pay for the speaker, what is the earliest date you can **obligate the funds?**

- A. The day after the speaker presents
- B. February 1, 2018
- C. The date you receive TEA approval of your grant application (NOGA)
- D. May 10, 2018



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Travel Costs

Can an LEA purchase airline tickets and/or secure hotel reservations in advance with federal funds?

Travel does not obligate to a federal grant until travel is taken. The LEA could purchase the tickets in advance, but it would have to be paid initially with state or local funds and could not be charged to the federal program until the travel was taken (e.g. get on the flight, check into the hotel, etc.)

Travel – Airline Tickets

You are attending a conference in Washington, DC. The conference is in June and you purchase your airplane ticket in April, two months prior to the conference. When can the airplane ticket be **obligated to the federal grant award:**

- A. On the date you decided to make travel arrangements
- B. On the date the travel arrangements are booked and seat assignments are confirmed
- C. On the date the airplane ticket is purchased
- D. On the date you take the flight to Washington, DC

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Travel Costs

Can an LEA use federal grant funds to pay for travel costs prior to the date of travel if employees sign a form that states that if they do not actually take the travel, obtain a full refund or find a replacement, then they will need to repay the LEA for the federal grant funds expended?

When travel obligates to a federal program is dictated by EDGAR under 34 CFR 76.707. There is nothing an LEA can do to work around this regulation. Any travel expenses charged to a federal grant prior to the obligation date could be considered an unallowable expense, even if the employee takes the travel as planned.

Travel – Hotel Taxes

What if a hotel does not charge the sales tax on lodging, but does charge taxes for other costs, such as parking at the hotel? Can federal funds be used to reimburse taxes that do not qualify for exemption by the state of Texas?

According to the Texas Comptroller's Office, school districts are usually exempt from Texas state sales tax on lodging but are not exempt from any city taxes or other taxes imposed for lodging. Employees may be reimbursed for applicable taxes with federal funds as long as the travel costs are allowable under the grant program and EDGAR.

Travel – Meal Reimbursement

If an employee seeks reimbursement from a federal grant for a meal that includes sales tax from an establishment that did not accept/honor the tax exempt certificate, may the full cost of the meal be reimbursed with federal funds?

According to the Texas Comptroller's Office, educational organizations can apply for exemption from certain taxes, such as Texas sales tax, hotel occupancy tax and franchise tax, if applicable. However, not all organizations are exempt from these taxes. Check with your LEA's exemption status. Federal funds can be used to reimburse the actual amount expended on meals per day, but cannot exceed the maximum allowable. Tips and gratuities are not reimbursable. Always check local travel policies on reimbursements.

Conference Registration Fees

Can federal funds be used to pay for conference registration fees prior to the conference?

Yes, if it is an allowable expense under the grant program. TEA allows registration fees to be considered like contracts, so it obligates when the registration is made. Some States include registration fees as a travel expense; however, TEA allows this flexibility so that LEAs can use federal funds to pay registration fees prior to a conference.

Travel – Supplement Not Supplant

If we use local funds to pay for travel initially and then use federal funds to reimburse the cost once the travel is taken, could this be considered a supplant?

All reimbursements require that state/local funds are initially used and then federal funds reimburse those charges once the travel is taken. It is important to document how the funds were intended to be charged and then how they were actually charged in that fiscal year. This requires that the grant application accurately reflect how the funds will be used. Any changes to the budget must be done through the submission of an amendment to the application prior to the obligation of the funds.

EDGAR and Your State and Local Rules

According to EDGAR, it is allowable to use federal funds for travel costs, including costs for meals and lodging, on a per diem basis. However, Texas rules require reimbursement of actual costs for travel, up to the per diem amount. Which requirement do you follow?

- A. If using federal funds for travel, you must follow EDGAR only
- B. You must follow the most restrictive policy, which is the State policy
- C. It depends on whether the costs will be paid with federal or local funds
- D. You can use the requirement that provides the most flexibility

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Questions?

Contact Information

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