Description of Change

The purpose of this errata notice is to alert LEAs to the following changes in fiscal guidance for 2013–2014 grants.

Cost Principles and Federal Regulations Applicable to All LEAs, Including All Open-Enrollment Charter Schools

Beginning in the 2013–2014 school year, and extending into future school years, the cost principles applicable to **all LEAs, including *all* open-enrollment charter schools,** will be OMB Circular A-87: Cost Principles for State, Local, and Indian Tribal Governments (2 CFR Part 225). The federal regulations applicable to **all LEAs, including *all* open-enrollment charter schools,** will be 34 CFR Part 80.

This change applies to all open grants and becomes applicable on the beginning date of the grant. For grants that span multiple school years, OMB Circular A-87 and 34 CFR Part 80 will become applicable beginning in the 2013–2014 school year, as follows:

- For federally funded grants, the change becomes applicable on July 1, 2013.
- For state-funded grants, the change becomes applicable on September 1, 2013.

For further information, refer to the June 12, 2013, letter posted to the TEA Correspondence page as well as to the Division of Grants Administration's OMB A-87 Communications page, which can be reached from the Guidance section of the Grants page of the TEA website.

Change in Capital Outlay Guidance

Effective for grants for the 2013–2014 school year, grantees will no longer be required to budget purchases of items that make up a "complete set" in class/object code 6600 when the cost of the set equals or exceeds the grantee's capitalization threshold or $5,000, whichever is less. Instead, grantees will budget the purchase of those items individually in the appropriate class/object code and will not consider the net invoice price of the "complete set."

For further information, refer to the May 13, 2013, listserv message posted in the Current Grants Information and Guidance section of the Grants page of the TEA website.

Guidance on Use of Federal Funds for Conferences and Meetings

The US Department of Education has clarified guidance on the use of federal funds for conferences and meetings. Refer to the Allowable Cost Guidance on the Grant Management Resources page of the TEA website.