



To the Administrator Addressed

Commissioner Mike Morath

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DATE:	April 20, 2023
SUBJECT:	Process for Certification of 2023–2024 Indirect Cost Rates for Independent School Districts (ISDs) Only
CATEGORY:	Funding Implications and Pending Deadline
NEXT STEPS:	ISDs to certify ICRPs by 5/19/2023 to receive indirect cost rates for use with 2023–2024 Grant Applications

The purpose of this letter is to inform independent school districts (ISDs) that the Texas Education Agency (TEA) has uploaded the completed Indirect Cost Rate Proposals (ICRPs) in GFFC Reports and Data Collections. **ISDs that requested an indirect cost rate must review, approve, and certify their ICRP data by May 19, 2023.**

Reviewing, Approving, and Certifying the ICRP

The ICRP is available in the secure GFFC Reports and Data Collections application, accessible through [TEAL](#). To receive TEA's calculated indirect cost rates, the ISD must review, approve, and certify its completed ICRP.

Instructions for completing the ISD review/approval/certification process are available in the ICRP Certification Instructions posted on the [Indirect Cost Rates](#) webpage. The Certification Instructions describe the ICRP review process and provide step-by-step instructions on how to certify and submit the ICRP Certification. The certification serves as the ISD's approval of the final restricted and unrestricted indirect cost rates for 2023–2024.

Background Information

Process for Requesting Indirect Cost Rates for ISDs

Effective with school year 2018–2019, ISDs must request an indirect cost rate each year by completing and submitting the **ICRP Additional Costs Workbook (ACW)**, as described in a To the Administrator Addressed letter of [November 3, 2022](#). The deadline for submitting the workbook, and thus requesting indirect cost rates, was January 19, 2023.

The submission of the ICRP ACW serves as an ISD's request for indirect cost rates. Rates are calculated only for ISDs that submitted a completed ICRP ACW. TEA received ICRP ACWs from the majority of Texas ISDs. For ISDs that did not submit a completed ICRP ACW, TEA did not calculate and will not issue rates for the 2023–2024 school year.

ACW and PEIMS Data

In completing an ICRP ACW, the ISD provided approximately 10% of the data required to complete the ICRP. TEA drew the remaining 90% of required ICRP data from the ISD's certified Texas State Data System/Public Education Information Management System (TSDS/PEIMS) data.

TEA populated the completed ICRP for each ISD that submitted an ICRP ACW by merging TSDS/PEIMS data with the ISD's submitted ACW data.

2023–2024 Indirect Cost Rates for ISDs Timeline

The following table lists the remaining steps in the indirect cost rate process.

Date	Action	Status
May 19, 2023	Due date for ISDs to submit ICRP Certifications in GFFC Reports and Data Collections, accessible through TEAL .	Next LEA step
July 1, 2023	TEA posts Indirect Cost Rate notification letters in GFFC Reports and Data Collections, accessible through TEAL . 2023–2024 indirect cost rates become effective.	Last step pending

Resources

Refer to the [Indirect Cost Rates](#) page of the TEA website for more information on indirect cost rates.

If you have questions about the indirect cost rate process, please email compliance@tea.texas.gov.