

Request for Application

# Program Guidelines

## 2024-2025 Texas Strategic Compensation for Districts

Authorized by General Appropriations Act, Article III, Rider 77, 88<sup>th</sup>  
Texas Legislature

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## Introduction to the Program Guidelines

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TEA, as the pass-through entity<sup>1</sup>, is the grantee<sup>2</sup> from the U.S. Department of Education (USDE) and TEA awards subgrants to non-federal entities<sup>3</sup> 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 subgrantees<sup>4</sup>. These guidelines 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.

This part of the request for application (RFA), Program Guidelines, is to be used in conjunction with the [General and Fiscal Guidelines](#) and any application instructions. The Standard Application System (SAS) consists of Application Part 1 (PDF – narrative schedules) and Application Part 2 (Excel – budget schedules) to be completed in order for the applicant to be eligible for funding.

For applicants selected for funding, all guidelines and instructions will be incorporated by reference into the Notice of Grant Award (NOGA).

## Reference to the General and Fiscal Guidelines

The Program Guidelines provide information specifically relevant to this grant program. The [General and Fiscal Guidelines](#) provide information relevant to all TEA grant programs. Throughout the Program Guidelines, cross-references are given to applicable sections of the [General and Fiscal Guidelines](#). It is critical that you review all referenced sections of the [General and Fiscal Guidelines](#) when preparing your application.

## Errata Notices

See the [General and Fiscal Guidelines](#), Errata Notices.

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<sup>1</sup> 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)

<sup>2</sup> 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)

<sup>3</sup> 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)

<sup>4</sup> 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.

# Contact for Clarifying Information

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## Grant Program Contact

Tracy Smith, Director of Strategic Compensation  
District Talent Systems  
[Tracy.Smith@tea.texas.gov](mailto:Tracy.Smith@tea.texas.gov)  
Phone: (512) 463-9230

## Funding Contact

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Phone: (512) 463-9365

# US Department of Education and/or State Appropriations

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The following is provided in compliance with the US Department of Education Appropriations Act:

Category	Amount
Total funds available for this project	\$900,000
Percentage to be financed with federal funds	0%
Amount of federal funds	\$0
Percentage to be financed from nonfederal sources	100%
Amount of nonfederal funds	\$900,000

## Grant Timeline

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For all dates related to the grant, including reporting dates, see the [TEA Grant Opportunities](#) page. If a report due date falls on a weekend or holiday, the report will be due the following business day. All dates except the grant ending date may vary slightly as conditions require.

## Grant at a Glance

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This section provides detailed information about the grant program.

### Program Purpose, Goals, and Objectives

**Purpose:** The Strategic Compensation for Districts Grant was developed to support larger districts in transitioning from a step and ladder system to a system that supports teacher and administrator compensation based on educator effectiveness.

**Goals:** The goals of this grant are as follows:

1. Develop a refined principal evaluation system consistent with the Teacher Incentive Allotment (TIA) approach.
2. Develop and adopt a TIA-compliant teacher evaluation system for all teacher types.
3. Transition away from a step & ladder pay scale for principals and teachers to a salary schedule based on performance.
4. Blend TIA and other funding sources to ensure financial sustainability.
5. Adopt an approach to teacher assignment based on student need.

### Eligible Applicants

See the [General and Fiscal Guidelines](#), Eligibility for Funding.

Districts who show interest, complete an application that is supported by the district's Superintendent and Board of Trustees, and meet application criteria are eligible for this grant. These districts will be selected in August of 2024 and notified by September of 2025.

The goals for this grant are to support districts in developing robust strategic compensation systems. Therefore, larger districts are the primary focus. Other districts interested in strategic compensation, or the Teacher Incentive Allotment will receive benefits through the regional support grants at ESCs.

### Eligibility List

An eligibility list is posted in the Application and Support Information section of the [TEA Grant Opportunities](#) page.

## Shared Services Arrangement

See the [General and Fiscal Guidelines](#), Shared Services Arrangements.

Shared services arrangements (SSAs) are not allowed.

## Cost Share or Matching Requirement

See the [General and Fiscal Guidelines](#), Cost Share/Match Requirement.

There is no cost share or matching requirement for this grant program.

## Supplement, Not Supplant

For supplement, not supplant guidance, see the Supplement, Not Supplant Handbook on the Department of Grant Compliance and Administration's [Training and Other Resources](#) page.

The supplement, not supplant provision does not apply to this grant program.

## Limitation of Administrative Funds

See the [General and Fiscal Guidelines](#), Administrative Costs.

NOTE: Administrative funds include **both** direct administrative costs **and** allowable indirect costs.

### Direct Administrative Costs

TEA limits the amount of direct administrative costs for this grant program to no more than 8% of the total grant award.

### Indirect Costs

For this state-funded grant, the grantee may claim a maximum for indirect costs equal to **the lesser** of its current, approved unrestricted indirect cost rate or 8%.

To calculate the maximum indirect costs that can be claimed for a grant, complete the [Maximum Indirect Costs Worksheet](#), located on the Grants Administration Division's [Grant Resources](#) page.

## Pre-Award Costs

See the [General and Fiscal Guidelines](#), Pre-Award Costs.

Pre-award costs are permitted, if requested, from September 1, 2024, to stamp-in date.

## Application Requirements and Assurances

This section identifies the types of requirements in which applicants must comply to be eligible for funding:

- Statutory requirements (requirements defined in the authorizing statute)
- TEA program requirements (requirements defined by TEA program staff)

### Statutory Requirements

See the [General and Fiscal Guidelines](#), Statutory Requirements.

Per Section 22.0834 of the Texas Education Code (TEC), any person offered employment by any entity that contracts with TEA or receives grant funds administered by TEA (i.e., a grantee or subgrantee) is subject to the fingerprinting requirement. TEA is prohibited from awarding grant funds to any entity, including nonprofit organizations, that fails to comply with this requirement. For details, refer to the [General and Fiscal Guidelines](#), Fingerprinting Requirement.

### TEA Program Requirements

See the [General and Fiscal Guidelines](#), TEA Program Requirements.

In addition to the statutory requirements, TEA has established the following program requirements. The applicant must comply with each of these requirements in the application to be considered for funding:

1. Hire/designate a Senior Level Member to lead the Strategic Compensation for the district who reports directly to the Superintendent or to a staff member who reports directly to the Superintendent. Districts may request flexibility related to this requirement but will require approval from TEA.
2. Identify and utilize a Guiding Coalition to develop the district's strategic compensation plan
3. Keep the School Board apprised of the progress and direction of the strategic compensation work
4. Execute and return a data sharing agreement with identified partners (TEA, ESC, and/or Technical Assistance Providers) within a minimum of 30 days of request
5. Attend all meetings requested by TEA, the ESC, and Technical Assistance Providers
6. Develop and complete plans/documents requested by TEA, the ESC, and Technical Assistance Providers within the timeline requested.
7. Respond to program evaluation surveys/requests within the timeline requested.

8. The grant program will be funded by reimbursement once the NOGA has been issued and the grantee submits payment requests through the Expenditure Reporting (ER) system. See Expenditure Reporting.

## Program-Specific Assurances

See the [General and Fiscal Guidelines](#), Provisions and Assurances.

The program-specific assurances for this grant program are listed in the Application Part 1.

## Allowable Activities and Use of Funds

Refer to the [Budgeting Costs Guidance Handbook](#) on the Grants Administration Division's [Grant Resources](#) page for general guidance on allowable activities and use of funds.

Allowable activities and use of funds for this grant include only the following:

### General Allowable Activities and Use of Funds

- Payroll costs

### Other Allowable Operating Costs Requiring Specific Approval in the Grant Application (6400)

#### Travel Costs for Officials such as Executive Director, Superintendent, or Board Members

Travel costs for officials such as executive director, superintendent, or board members may be funded under the grant program. Only the following travel costs may be allowable for these positions:

- Travel to TEA/ESC Region 10 sponsored meetings

## Unallowable Activities and Use of Funds

Refer to the [Budgeting Costs Guidance Handbook](#) on the Grants Administration Division's [Grant Resources](#) page for general guidance on unallowable costs.

In addition, unallowable activities and use of funds for this grant include, but are not limited to, the following:

- Debt services (lease liabilities for terms greater than 12 months) — unallowable costs include:
  - Capital Lease Liability — Principal Costs (6512)
  - Capital Lease Liability – Interest Costs (6522)



- Subscription-based Information Technology Arrangement (SBITA) – Principal Costs (6514)
- Subscription-based Information Technology Arrangement (SBITA) – Interest Costs (6526)
- Interest on Debt Costs (6523)
- Audit services for state-funded grants
- Professional and contracted services
- Consumable and durable supplies and materials
- Capital outlay
- Operating transfers out
- Other uses of funds (8949)
- Out-of-state travel
- Travel for students to conferences
- Field Trips
- Stipends for non-employees other than those included in 6419
- Non-employee costs for conferences
- Cost of membership in any civic or community organization
- Hosting or sponsoring of conferences
- Advisory council
- Any activity not specified above in the Allowable Activities and Use of Funds section

## Performance Measures

The applicant agrees to collect data and report on the following mandatory performance measures:

1. Semi-annual and program evaluations
2. Percentage of staff eligible for TIA and strategic compensation
3. Salary schedules considered as well as final adopted schedule
4. Participation of staff (central office, administrative, and teaching) in the development and implementation of the strategic compensation plan
5. Board updates and feelings regarding strategic compensation decisions and plans

## Attachments

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There are two types of attachments that may be required to be submitted with your application:

## Required Fiscal-Related Attachments

See the [General and Fiscal Guidelines](#), Fiscal-Related Documentation Required to Be on File, for a general description of fiscal-related documents that can be required as attachments to the application.

## Required Program-Related Attachments

See the [General and Fiscal Guidelines](#), Required Program-Related Attachments, for a general description of program-related documents that can be required as attachments to the application.

No program-related attachments are required for this grant program.