

PEI BILLING

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What is the billing process for DFPS PEI Grantees?

PEI grantees submit billing invoices on a monthly basis. Each month PEI reviews grant invoices against the grant budget to ensure expenses are appropriate and allowable. Monthly billing also helps PEI and grantees to effectively track monthly expenditures and projected costs, which in turn may identify the need for adjustments to budget line items or budget categories.

Cost Reimbursement Grants

Most of PEI’s grants are cost reimbursement grants. Under these grants, DFPS will reimburse grantees for their allowable and actual incurred costs; DFPS is not obligated to pay unauthorized costs. Federally funded grants follow the [Uniform Grant Guidance \(UGG\)](#) and State funded contracts follow the [Texas Grant Management Standards \(TxGMS\)](#).

At the beginning of each fiscal year, PEI staff review and approve each grantee’s proposed budget. The grantee must distribute their funding amount across approved line items organized under the following budget categories:

- SALARIES,
- FRINGE BENEFITS
- TRAVEL
- SUPPLIES
- CAPITAL EQUIPMENT
- OTHER EXPENSES
- SUBAWARDEE COSTS.

In addition, grantees may charge either a Federally Negotiated Indirect Cost Rate or a 10% de minimis rate; grantees may also choose not to charge indirect costs to their grant.

PEI grantees submit a monthly billing invoice for reimbursable expenses for the month in which those expenses post to the grantee's general ledger. Using this methodology reduces the need to submit supplemental invoices and allows fiscal monitoring staff to reconcile the costs from the relevant month's general ledger to the corresponding monthly invoice.

When a grantee identifies a need for large budget adjustments, grantee will explain the reason for the adjustment and request approval for the budget transfer from their PEI contract manager before submitting their billing. This will help avoid delays in their invoice processing. If the grantee requires a minor budget adjustment, they may submit the transfer when they submit their billing.

[Fee-for-Service Grants](#)

Some of PEI's grants are fee-for-service grants. Under these grants, DFPS reimburses grantees based on an agreed upon fee per unit of delivered service.

Accordingly, the monthly billed amount is determined by the number of services delivered that month.

[Questions?](#)

PEI grantees should contact their designated contract manager and contract technician with any questions about the billing process. The PEI billing process allows DFPS and the grantee to maximize their contract budget and be good stewards of public funds.