



Tennessee Department of Education
Individualized Education Account (IEA) Program
Individualized Education Account Contract
Spring 2017 Semester
Jan. 1, 2017- June 30, 2017

This Individualized Education Account Contract (this Contract) is entered into as of Jan. 1, 2017 (Effective Date) by and between the Tennessee Department of Education (the department) and **Applicant Parent/Guardian/Student** (Holder) pursuant to T.C.A. § Title 49, Chapter 10, Part 14 (Exhibit A) and the Rules of the State Board of Education Chapter 0520-01-11 (Exhibit B).

In consideration of the mutual promises contained herein and for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties agree as follows:

1. Individualized Education Account. In exchange for Holder's commitment to those obligations set forth in Section 4, the department will create for the spring 2017 semester an Individualized Education Account (IEA) in the amount listed in Exhibit E (the IEA Funds) to be used for the benefit of **Applicant Student** (Student). The department will transfer the IEA Funds to the Tennessee State Treasurer (Treasurer) on a quarterly basis in the amount listed in Exhibit H each quarter. The Treasurer will deposit the IEA Funds each quarter into the IEA administered by the [insert name of bank].
2. Term. This Contract will be effective as of the Effective Date for only the spring 2017 semester or such portion of the school year remaining (the Term). Unless earlier terminated pursuant to Paragraphs 4(B), 4(C), 4(D), 4(F), 4(K), or Section 5 or for any other reason at the sole discretion of the department, this Contract will terminate on June 30, 2017.
3. Termination.
 - A. If the department determines that Holder has violated the terms of this Contract or taken action that fails to comply with the requirements of the IEA Program, including taking action suggesting a misuse of IEA funds, the department will suspend the account of Holder, and notify Holder in writing that the account has been suspended and that no further transactions will be allowed or disbursements made (Suspension Notice).
 - B. The Suspension Notice will specify the reason for the suspension and state that Holder has ten business days to respond and take corrective action.

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- C. If Holder fails to contact the department, furnish any required information, or make any report that may be required for reinstatement within the ten day period following the Suspension Notice, the department will terminate Holder's IEA.
 - D. If the department terminates this Contract prior to the end of the Term, Holder forfeits all rights to the IEA Funds and may be required, upon written notice pursuant to Section 10, to reimburse previously expended IEA Funds to the State of Tennessee.
 - E. Pursuant to Rules of the State Board of Education (SBE) Chapter 0520-01-11, a parent may appeal a department decision to terminate according to the procedures established by the rule.
4. Holder Representations and Obligations.
- A. Approved Expenditures. Holder represents that the IEA Funds will be used solely to provide an education for Student, which, at a minimum, includes instruction in reading, grammar, mathematics, social studies and science. IEA Fund expenditures are limited to the following:
 - 1) Tuition, fees and/or required textbooks at a participating school. Participating school means a nonpublic school that meets the requirements established in the Act, meets the requirements set by the department, is approved by the department, whose name and grade levels served are posted annually on the department's website, seeks to enroll eligible students, and notifies the department as to whether the school provides inclusive educational settings. Participating schools must be a Category I, II, or III nonpublic school pursuant to the rules of the State Board of Education Chapter 0520-07-02.
 - 2) Tutoring services provided by an individual tutor that meets the requirements set by the department or a tutoring organization accredited by one (1) of the following: any accreditation division of AdvancED (the North Central Association Commission on Accreditation and School Improvement (NCA CASI), the Northwest Accreditation Commission (NWAC), and the Southern Association of Colleges and Schools Council on Accreditation and School Improvement (SACS CASI)), the Middle States Association of Colleges and Schools (MSA), the New England Association of Schools and Colleges (NEASC), the Western Association of Schools and Colleges (WASC), or the Council on Occupational Education (COE). The Holder must submit accreditation and credentials to the department before the Holder pays for services provided by the tutor using IEA funds.



- 3) Purchase of curriculum, defined as a complete course of study for a particular content-area or grade level, including any supplemental materials required by the curriculum. Parents may use IEA funding to purchase supplemental materials only if the supplemental material is required by the curriculum. Supplemental material may not be substituted as a complete course of study nor will such purchases be approved unless the Holder's quarterly expense report (described below in Paragraph 4(C)) identifies the curriculum that required the purchase of the supplemental material and Holder provides to the department a copy of the part of the curriculum that requires the purchase.
- 4) Fees for transportation paid to a fee-for-service transportation provider. "Fee for service transportation provider" means a commercial transportation provider including a taxi or bus service. It does not include private transportation by the Holder or the Student. Transportation fees can only be used for transportation to participating schools and providers, including approved tutors and therapists.
- 5) Tuition or fees for a nonpublic online learning program or course provided by a Category III nonpublic school pursuant to the rules of the State Board of Education Chapter 0520-07-02;
- 6) Fees for nationally standardized norm-referenced achievement tests, Advanced Placement examinations, or any examinations related to college or university admission;
- 7) Contributions to a qualified Coverdell education savings account established under 26 U.S.C. § 530 for the benefit of the participating Student;
- 8) Educational therapies or services for the participating Student from a licensed or accredited practitioner or provider. "Educational therapies" are defined as an individualized intervention and treatment plan designed to remediate learning problems through a combination of educational and therapeutic approaches. All therapy services through the IEA program must be "direct service," meaning that they must directly go to improve the education of the student. The Holder must complete and submit to the department a therapy service agreement form for the Student to approve the therapist/provider license/accreditation before the Holder contracts for services with the therapist/ provider and/ or pays the therapist/provider using IEA funds.
- 9) Services provided under a contract with a public school, including individual classes and extracurricular programs;



- 10) Tuition, fees, and/or required textbooks at an eligible postsecondary institution. Eligible postsecondary institutions include community colleges, colleges of applied technology, or universities of the University of Tennessee system or the board of regents system, or a private postsecondary institution accredited by one (1) of the following: any accreditation division of AdvancED (the North Central Association Commission on Accreditation and School Improvement (NCA CASI), the Northwest Accreditation Commission (NWAC), and the Southern Association of Colleges and Schools Council on Accreditation and School Improvement (SACS CASI)), the Middle States Association of Colleges and Schools (MSA), the New England Association of Schools and Colleges (NEASC), the Western Association of Schools and Colleges (WASC), or the Council on Occupational Education (COE).
 - 11) Fees for the management of the IEA by private financial management firms;
 - 12) Computer hardware or other technological devices approved by the department or a physician, if the computer hardware or other technological device is used for the student's educational needs and is a required device for communication or physical access to instruction due to the adverse impact of the disability for which the student qualifies to receive an IEA or allows a student to access instruction or instructional content. The Holder must receive prior approval from the department or a licensed physician before purchasing computer hardware using IEA funds.
- B. Reselling Curriculum. It is unlawful for the Holder or third party to financially benefit from the sale of any product purchased using funds distributed by the IEA program. All IEA funds are solely approved for the use and benefit of the Student and their education. Resale of items purchased with IEA funds is considered a violation of the contract and may be grounds for removal and referral to the Attorney General's Office for investigation. The Holder may, after a two year period, donate used books and materials purchased with IEA funds to a 501(c)3, public or private school, religious organization or an individual family who is not enrolled in the IEA program.
- C. Quarterly Expense Reports. Holder will submit documentation of all IEA expenditures on a quarterly basis as described in the IEA Parent Handbook (Exhibit D). At minimum, documentation must include the following: bank-issued statements, receipts for each expenditure, and copies of any relevant provider licenses or other credentials. Failure to submit a timely quarterly expense report will result in a suspension of Holder's account and lack of disbursement of the



next quarter's funds. The department may terminate an IEA account and seek reimbursement of spent IEA funds, if Holder fails to submit a quarterly expense report.

- D. Public School Enrollment. Pursuant to T.C.A. § Title 49, Chapter 10, Part 14 Public, during the Term, Holder will not enroll Student full-time in a public school. Enrollment of Student full-time in a public school during the Term constitutes a violation of this Contract and will result in the immediate termination of this Contract.
- E. Public School Services. Holder certifies the public school district Student last attended is no longer obligated to provide services to Student during the Term, with the exception of services purchased pursuant to Paragraph 4(A)(9).
- F. Misrepresentation of Information. Holder represents that all information provided in the IEA application filed by Holder on behalf of Student is complete and accurate. The IEA application is attached hereto as Exhibit G. If the department determines that any of the information provided by Holder as part of the IEA application is incorrect, then the department may, at its sole discretion, terminate this Contract.
- G. Bank Requirements. Holder will provide additional information and/or sign agreements or waivers required by the bank in the administration of the IEA.
- H. Assessments. If the Student is in grades 3-8, the Holder shall annually, by a date established by the department, submit verification to the department that the student has taken either a nationally norm-referenced test(s) identified by the department or the Tennessee Comprehensive Assessment Program (TCAP) test(s), or any future replacements of the TCAP test(s). The tests should, at a minimum, measure learning in mathematics and English language arts (ELA). At a minimum, parents shall report the name of the assessment(s) the student took, the date the assessment was administered, and the student's test score(s).
- I. Notice of Transfer to another Participating School. If the Student transfers from one participating school to another, the Holder must notify the department within fifteen (15) days from the date the student was withdrawn from the participating school and must send the department proof of enrollment in the participating school the student has transferred into with the date of the enrollment in the new school.
- J. Withdrawal from the IEA Program. The Holder may withdraw the Student from the IEA program and cancel this Contract at any time. The Holder shall notify the department that the student is being withdrawn from the IEA program within fifteen (15) days from the date the student was withdrawn from the participating school by submitting the IEA Program withdrawal form posted on the



department's website by the timeline set by the department. Upon receiving the notice of withdrawal, the department shall send the Holder a written notice that the IEA Contract has been cancelled and that the Holder's IEA has been closed. If the Holder expends IEA funds after the date of withdrawal from the IEA program, the Holder shall repay those funds to the department. All funds remaining in the IEA shall be returned to the state treasurer to be placed in the basic education program (BEP) account of the education trust fund of 1992 under §§ 49-3-357 and 49-3-358.

- K. Late Reports and Non-Submittal of Requested Documents. The Holder must submit all documentation and reports required by the department by the deadline set by the department including, but not limited to, all application forms and supporting documentation, agreement forms and supporting documentation, and end of the year reporting forms and supporting documentation. If the Holder does not submit the documentation and reports by the deadline, the department may deny the application, freeze or suspend the IEA account, and/or remove the Student from participating in the IEA program following the procedures developed by the department (Exhibit C).
5. Fraudulent Activity. Holder acknowledges that any substantial misuse of the IEA Funds may be referred to the Tennessee Attorney General's Office and/or the State Comptroller's Office if the department obtains evidence of fraudulent use of the IEA.
 6. Referral to Collections. Holder acknowledges that Holder will be required to repay any IEA funds that are spent for any expenditure other than those specifically set forth in Paragraph 4(A). Any unsettled repayments may be referred to the Tennessee Attorney General's Office for recoupment.
 7. Choice of Law. This Contract will be construed in accordance with the laws of the State of Tennessee, the rules of the Tennessee State Board of Education, and the Procedures of the Tennessee Department of Education.
 8. Waiver. The department's failure to strictly enforce any term of this Contract does not constitute a waiver of such term or prevent the department from strictly enforcing any term of this Contract at any time.
 9. Conflict of Interest. This Contract is subject to the Rules of the state board of education Chapter 0520-01-11-.11.
 - A. Holder acknowledges that use of IEA funds must be for the sole benefit of the participating student for which the IEA account is established. Any services, resources, and/or equipment purchased using IEA funds shall only be used by the participating student whose IEA paid for said services, resources, and/or equipment.



- B. Holder acknowledges that it is a conflict of interest and is considered a misuse of IEA funds against IEA program rules and procedures for a family member of a participating student, including step parent, or member of an eligible student's household to derive any financial benefit from the IEA program.
 - C. Holder acknowledges that it is also a conflict of interest and against IEA program rules and procedures for a family member of a participating student, including step parent, or a member of a participating student's household to provide a professional recommendation or approval for a service or the use of computer hardware or other technological device for the participating student.
10. Parent Assurances. Holders must complete Exhibit E: Parent Assurances as part of this Contract.
11. FERPA Waiver. Holders must complete Exhibit G: FERPA Waiver as part of this contract.
12. Notices. Any required notice under this Contract shall be sent by email or first-class mail to the party at the address below, as requested by the Holder:

Holder:

Applicant Parent/Guardian /Student (who has reached the age of majority)
Address
City, St, Zip Code
Email address

Tennessee Department of Education:

Tennessee Department of Education
Attention: Rebecca E. Wright
9th Floor, Andrew Johnson Tower
710 James Robertson Parkway
Nashville, TN 37243
IEA.Questions@tn.gov

13. Entire Contract, Amendment. This Contract and the attachments hereto sets forth the entire agreement between the parties concerning the subject matter hereof and supersedes all previous agreements, written or oral, concerning such subject matter. This Contract may be amended only by written agreement duly executed by both parties.



Signature Page

IN WITNESS WHEREOF, the department has caused this Contract to be executed by its duly authorized representative and Holder has executed this Contract as of the Effective Date.

HOLDER

(signature)

Applicant Parent/ Guardian/ Student

Holder must also include the following information in order for the IEA to be opened:

(Name of Account Holder)

(Name of Student)

(Student's Date of Birth)

(Student's ID Number)

(Physical Address – P.O. Box not acceptable)

(City, State Zip Code)

(Account Holder's Email Address)

(Today's Date)

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Tennessee Department of Education

(signature)

Candice McQueen, Ph.D.
Commissioner
Tennessee Department of Education

DRAFT

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Tennessee Department of Education

Individualized Education Account (IEA) Program

Exhibit E: 2016-17 Account Holder Assurances

Instructions for Enrolling the Individualized Education Account (IEA) Program

Before completing this assurances form, parents/guardians/students must read the following:

- IEA Program law, T.C.A. § Title 49, Chapter 10, Part 14
- IEA Program Rules of the State Board of Education Rules of the State Board of Education Chapter 0520-01-11
- IEA Program Procedures developed by the Tennessee Department of Education (the department)
- IEA Parent Handbook

The IEA Parent Handbook includes the allowable use of IEA funding, the responsibilities of parents/guardians, and the duties of the department. Parents/ Guardians/ Students should read it before enrolling in the IEA program. If parents/ guardians/ students have questions about the IEA program, please email IEA.Questions@tn.gov

Please note the following:

- An IEA contract and all supporting documentation, including Account Holder Assurances Form and FERPA Waiver, must be submitted for each student. If a parent/ guardian has more than one student who is enrolling in the IEA program, the parent/guardian will need to submit one contract per student.
- There can ONLY be one account holder (parent/ guardian) for each IEA account. Please keep in mind that the applicant parent/ guardian will be required to sign all official documentation pertaining to the IEA.
- Parents/Guardians/Students may update their contact information and the provider/school information submitted in this Assurances Form by updating their Member Profile in the IEA Portal.

Completed contracts, including the Account Holder Assurances Form and FERPA Waiver, must be **received** by the department no later than **Nov. 15, 2016, at 3 p.m. CST.**

Student Information <i>All fields are required, unless otherwise noted</i>	Response Field
Student Name (Last, First, Middle)	

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<p>Student ID Number</p> <p><i>This is the same ID number assigned to the student by the school district. The ID number is located on the student's IEP. Parents can contact the district to get the student's ID number.</i></p>	
<p>Type of school the student will attend in January 2017</p> <p><i>Parents may update this information by updating the Member Profile section of the IEA Portal.</i></p>	
<p>Name of the private school the student will attend as their school of record in January 2017</p> <p><i>Parents may update this information by updating the Member Profile section of the IEA Portal.</i></p>	
<p>Address of the private school the student will attend in January 2017</p>	
<p>Name and address of any additional schools the student will be attending and the classes and/or services the school will provide that will be paid for using IEA funds</p>	
<p>Name and address of all providers <i>(including therapists and tutors) the account holder will be contracting with using IEA funds to provide services for the student. Include a list of the services being provided.</i></p>	

<p>Parent Information</p> <p><i>All fields are required, unless otherwise noted.</i></p>	<p>Response Field</p>
<p>Parent/ Legal Guardian/ Student Name (Last, First)</p>	



<p><i>The parent/legal guardian/student who signs the IEA contract will be considered the "IEA account holder."</i></p>	
<p>Parent/ Legal Guardian/ Student Email Address</p> <p><i>This is the email address that all official IEA communications will be sent to. All further official correspondence and documentation will be sent to this email address.</i></p>	

Signature Page

	Initials
<p>I understand that participation in the IEA program shall have the same effect as a parental refusal to consent to the receipt of services under the federal Individuals with Disabilities Education Act (IDEA - 20 U.S.C. § Section 1414) and I hereby revoke my consent for special education and related services pursuant to IDEA.</p>	
<p>I understand that upon enrolling in the IEA program, my student's Individual Education Program (IEP) will no longer be valid, and my student will have no individual entitlement to a free appropriate public education (FAPE) from the public school district, including special education and related services, as long as the student is participating in the IEA program.</p>	
<p>I have read and understand the IEA Program law (T.C.A. § Title 49, Chapter 10, Part 14), Rules of the State Board of Education Chapter 0520-01-11, Tennessee Department of Education IEA Program Procedures, and IEA Parent Handbook.</p>	
<p>I agree to follow all the state laws, rules, policies, and procedures pertaining to the IEA program, as well as all of the requirements set forth in the IEA Parent Handbook.</p>	
<p>I understand that if an IEA is ultimately awarded, I am required to notify the public school of the student's enrollment in the IEA Program and to withdraw the applicant student from public school (including public charter schools and public virtual education programs) no later than Dec. 30, 2016.</p>	



<p>I understand that by signing this, I certify that I have the legal right and responsibility to direct the education of the student.</p>	
<p>I understand that if the IEA is ultimately funded, the monies may only be used for the expenses listed in IEA Program law (T.C.A. § Title 49, Chapter 10, Part 14), Rules of the State Board of Education Chapter 0520-01-11, Tennessee Department of Education IEA Program Procedures, and IEA Parent Handbook.</p>	
<p>If my student is enrolled in the IEA program, I agree to submit to the Tennessee Department of Education every quarter receipts showing a record of all expenses paid using IEA account funds, by the dates set by the department. I understand that failure to submit receipts by the deadline may result in termination from the program.</p>	
<p>I understand that if I misuse or fraudulently spend IEA funding, I will be responsible for repaying those funds to the State Treasurer, my student will be immediately removed from the IEA program, the student's IEA account will be closed, and all funds remaining in the account will be forfeited. Cases of fraud and misuse of funds may also be referred to the State Comptroller's Office or the State Attorney General's Office.</p>	
<p>I understand that use of IEA funds must be for the sole benefit of the participating student for which the IEA account is established. Any services, resources, and/or equipment purchased using IEA funds shall only be used by the participating student whose IEA paid for said services, resources, and/or equipment.</p>	
<p>I understand that it is a conflict of interest and is considered a misuse of IEA funds against IEA program rules and procedures for a family member of a participating student, including step parent, or member of an eligible student's household to derive any financial benefit from the IEA program.</p>	
<p>I understand that it is a conflict of interest and against IEA program rules and procedures for a family member of a participating student, including step parent, or a member of a participating student's household to provide a professional recommendation or approval for a service or the use of computer hardware or other technological device for the participating student.</p>	
<p>I certify the information provided in this form, including any supporting documentation is truthful and accurate. I further understand that any false statements or documentation may result in the student's account being frozen,</p>	

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the student being removed from the IEA program, closure of the student's IEA account, and/or forfeiture of all funds remaining in the account. I further understand that if any false statements or documentation is provided, the department may prohibit the student and/or parent/guardian from enrolling in the IEA program and/ or being an IEA account holder in future.	
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Account Holder Name

Account Holder Signature

Date

Submission Instructions

The completed contract, including this assurance form and the FERPA Waiver, must be submitted through the IEA Portal and must be **received** by the Tennessee Department of Education no later than **Nov. 15, 2016, at 3 p.m. CST.**

If the complete contract is not submitted by the deadline along with all the required documentation, the student shall not be enrolled in the IEA program for the term that begins January 2017.



Tennessee Department of Education Individualized Education Account (IEA) Program

Exhibit F: FERPA WAIVER

The Individualized Education Account (IEA) program allows account holders to use IEA funding to pay for tuition and fees at participating nonpublic schools. In the event that a student in the IEA program withdraws from a participating nonpublic school, the school is not allowed, per state law, to issue a refund for tuition/ fees to account holders directly, and must instead refund the tuition/ fees directly to the Tennessee Department of Education (the department) to be deposited in the student's IEA. Tuition/ fees shall be refunded on a prorated basis as required by the Rules of the State Board of Education (SBE).

The Family Educational Rights and Privacy Act (FERPA) of 1974 (the Buckley Amendment) insures students of the right to privacy with respect to their educational records. As part of the IEA agreement and in order for a student to enroll in the IEA program, the parent/guardian/student (who has reached the age of majority) must sign a waiver to allow the department to disclose personally identifiable information related to your child's education records on file for the student with a participating nonpublic school that the student has attended or is currently attending and that received IEA funds. This waiver will allow the department to contact the school in the case that the student transferred or withdrew from the school and request a refund from the school for the tuition/ fees paid with IEA funds.

The department may also disclose any confidential information to any individual or agency named by the parent, guardian, or student in the space below.

This form is provided as a means for parents, guardians, or students (who has reached the age of majority) to give the department permission to discuss the student's education records with someone other than themselves.

Written consent will be kept permanently on file, and the department will release information regarding the student's education record to any participating nonpublic school that a student currently attends or has attended while enrolled in the IEA program and those person(s) who have been designated on this form. If for any reason a parent, guardian, or student (who has reached the age of majority) decides to cancel this release, he/ she must send an email withdrawing the consent, indicating the person(s) affected to: IEA.Questions@tn.gov.



I hereby authorize the department to release information regarding my child's education records to any participating nonpublic school that the student currently attends or has attended while enrolled in the IEA program and the person(s) whose name(s) appear below:

Student's Name:	
Student's ID Number:	
Disclose to: Full Name #1	
Disclose to: Full Name #2	
Parent/Guardian/Student (who has reached the age of majority) Signature:	
Date:	

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