Individualized Education Account (IEA) Program
2018-19 Participating School Training
Rebecca Wright, director, Individualized Education Account Program
IEA Team & Contact Information

- **IEA Team:**
  - Rebecca Wright, Director
  - Meg Cummins, Account Specialist
  - Kristi Harris, Special Projects Coordinator

- **Contact the IEA Team:**
  - [IEA.Questions@tn.gov](mailto:IEA.Questions@tn.gov)
  - (615) 253-3781
IEA Webpage, Update, & Resources

- IEA Webpage: [https://www.tn.gov/education/iea.html](https://www.tn.gov/education/iea.html)
  - Resources and information for parents and schools
- Monthly IEA Email Newsletter – *IEA Update*
  - Subscribe by going to the IEA webpage
1. Participating Schools’ Rights & Responsibilities
2. IEA Funding
3. Approved IEA Expenses
Participating Schools’ Rights & Responsibilities
Private School IEA Application Process

- Annually, participating schools must complete and submit a **new application** to the TDOE, along with all supporting documentation, in order to continue to participate in the IEA Program.
- The school application window for the 2019-20 school year will open in early 2019.
- Applications are now being accepted year-round; however, schools are encouraged to submit their application early so that:
  - Parents know which schools have been approved, and
  - For returning schools, to ensure that the school is approved by Aug. 1 since the participating school agreements expire on July 31.
A participating school is autonomous and not an agent of the state or federal government.

Neither the TDOE nor any other state agency may regulate in any way the educational program of a participating nonpublic school.

The creation of the IEA Program does not expand the regulatory authority of the state, its officers, or any LEA to impose any additional regulation of nonpublic schools beyond those necessary to enforce the requirements of the program.
Participating School Rights

- Participating nonpublic schools shall be given the maximum freedom to provide for the educational needs of their students without governmental control.
- Participating nonpublic schools shall not be required to alter their creed, practices, admissions policies, or curriculum in order to accept participating students.
- For a full list of rights, see the *IEA Private School Handbook*.
If at any time the information submitted in the application changes, including, but not limited to, the email address, physical address, and phone number, the school shall report the changes by emailing IEA.Questions@tn.gov.

Schools must notify the TDOE within 15 calendar days of the change taking effect.

Failure to provide this information to the TDOE within 15 days may result in the suspension of the school’s participation in the IEA Program and/or removal of the school from participating in the IEA Program.
Participating schools must report all of their 12th grade students who participate in the IEA Program as one of the following: graduated, completed, withdrew from the school, repeating 12th grade, or other with an explanation.

Participating schools must submit the *Graduation & Completion Form* to the TDOE by 3 p.m. CT on **June 14, 2019**.

More information about graduation and completion rates can be found in Chapter Three of the *IEA Private School Handbook*. 
Completing the Graduation & Completion Form

- See the ‘2018-19 IEA Program Participating Schools Welcome Email’ to access the form.
- If a school doesn’t have any students enrolled who are in the IEA Program and who are graduating/completing high school, the school must email IEA.Questions@tn.gov by the deadline above to report to the TDOE that the school does not have any students who are graduating/completing.
- Allow up to 30 calendar days for the form to be processed.
Participating School Responsibilities

- Comply with **all state laws, rules, and procedures** that apply to nonpublic schools and IEA participating schools.
- Be **academically accountable** to the account holder for meeting the educational needs of the student.
- At a minimum, **annually** provide to the account holder a **written explanation of the student’s progress**.
- If the student is in grades 3–8, and if requested by the parent, **annually administer** either a nationally **norm-referenced test(s)** approved by the TDOE or the **TCAP test(s)** in English language arts and mathematics.
Participating School Responsibilities

- Certify that they shall **not discriminate** against students or applicants on the basis of race, color, or national origin.
- **Conduct criminal background checks** on employees as defined by the State Board of Education IEA Rules.
- **Exclude from employment** any person not permitted by state law to work in a nonpublic school.
- **Exclude from employment** any person who might reasonably pose a threat to the safety of students.
Participating School Responsibilities

- Allow the TDOE to conduct **site visits**, if requested by the TDOE.
- Upon a student’s withdrawal from the school, **send all educational records** of the participating student to the school district or other school identified by the account holder.
- A full list of responsibilities can be found in the *IEA Private School Handbook*. 
Account Holder Rights and Responsibilities

- See Chapter Four of the *IEA Parent Handbook* for a complete list of the rights and responsibilities.

- By placing a student in the IEA Program, parents have agreed to:
  - Take full legal responsibility for the education of their student, including obtaining services necessary to educate their student
  - Waive all of their student’s rights to services under the federal Individuals with Disabilities Education Act (IDEA)
Students in the IEA Program:

- **do not receive any services or accommodations** through the public school system;
- **no longer** have an **active** Individualized Education Program (IEP);
- **are not eligible for the services** listed in the IEP through the public school system, including test accommodations; **and**
- **are not** able to get a **services plan** through a public school district.
Participation in the IEA Program shall have the same effect as a parental refusal to receipt of IDEA services (20 U.S.C. § 1414).

Therefore, if a student is enrolled in the IEA Program, the student is not entitled to equitable services that the school district has determined that it will make available to parentally placed private school children with disabilities.

Private schools participating in the IEA Program cannot accept private placement funds for students enrolled in the IEA Program.
Suspension and Revocation

- The TDOE may deny, suspend, or revoke a school’s participation in the IEA Program if it is determined that the school has failed to comply with the IEA rules or TDOE procedures, including submission of required forms by the deadline set by the TDOE.
- If a participating school is suspended or if a participating school withdraws from the IEA Program, affected participating students remain eligible to participate in the IEA Program.
Account Holder Responsibilities

- Comply with all the state laws, rules, and procedures for the IEA Program.
- Provide an education for the student in at least the subjects of English language arts, mathematics, social studies, and science.
- Enroll the student in a nonpublic school (which includes private and home schools) that meets the compulsory school attendance requirements in state law.
- Research, review, and approve/contract with participating schools, therapists, tutors, and other providers, as needed.
- Submit quarterly expense reports and receipts to the TDOE.
- Submit assessment verification forms, if applicable.
Account Holder Notification Requirements

- The notification requirements for account holders to the TDOE and the IEA liaison for the school district in which the student resides are in Chapter Four of the Parent Handbook, and in cases that include, but are not limited to:
  - Student withdraws from the IEA Program
  - Student returns to public school
  - Student graduates from high school or ages out of the IEA Program
  - Student transfers to/from a participating school
  - Student moves to another school district
  - Student’s home address changes
  - Account holder’s contact information changes
Use of IEA funds must be for the **sole benefit of the participating student for which the IEA account is established.**

The parent/guardian is responsible for payment of all ineligible expenses and any eligible expenses in excess of the amount of the IEA.

The IEA Program **will not reimburse** account holders for any personal funds spent.
Parents of students who are approved to enroll in the IEA Program will receive access to IEA funding (state and local public education funds) through a debit card account, the IEA account.

- Participating schools must be able to run the IEA debit card to receive payment for tuition, fees, and/or required textbooks.
- Schools cannot hold IEA cards and run them onsite without the parent/guardian present or copy credit card information for use at a later date.
The average annual amount of IEA awards across the state for the 2018-19 school year is approximately $6,957, but will vary across school districts.

To see the amount of the IEA funding for the 2018-19 school year, go to the ‘Resources’ section of the IEA webpage, click ‘Per Pupil Funding-Parents,’ and then locate the district in which the child resides.
Funding Disbursement

- Account holders receive funding in **10 equal payments** deposited into an IEA debit card account.
- The **approximate** dates for the IEA payments are posted on the ‘**Key Dates**’ section of the IEA webpage.
  - The IEA team is not notified when disbursements are made to your account.
  - It is **your responsibility to contact the bank** or check your account online for disbursements.
  - If the IEA expense report is not approved, there will be a delay in disbursement of the next IEA payment.
General Guidelines for Use of IEA Funds

- **Funds roll over**, so account holders are not required to spend the entire sum each quarter.

- **At least 50 percent** of the annual IEA award must be spent by the deadline to submit the Quarter 4 IEA Expense Report (see Chapter Seven).

- After graduating from high school, or reaching 22 years of age, **unused funds in an IEA account** from prior years can be used in subsequent years, **up to four consecutive years**, for postsecondary education.
State law and the IEA Contract require account holders to report spending of IEA funds to the TDOE on a quarterly basis.

All submitted receipts/invoices must include the following information:

- Date of purchase
- Name of provider/vendor (e.g., store name, name of the tutor/therapist who provided services to the student, etc.)
- Description of item or service purchased (e.g., type of therapy provided, itemized list of fees for private school)
- Amount of purchase
- All invoices must have a zero balance or documentation showing that the invoice was paid.
Misspent Funds

- To ensure the integrity of the IEA Program, the TDOE will closely monitor use of all IEA funds to ensure the funds are only spent on approved expenditures.
  - The TDOE has a zero tolerance policy for misuse of IEA funding.
- Account holders must repay all misspent funds.
- See Chapter Seven of the *IEA Parent Handbook*. 
Taxability of IEA Funds

- IEA payments are reportable transactions for purposes of IRS information return reporting.
- IEA payments will be reported each calendar year to the IRS on a Form 1099.
- Please consult your tax professional for advice and guidance on how to address the 1099 in your tax return.
  - “IRS Publication 970 Tax Benefits for Education” may provide additional guidance for you and your tax preparer and can be found at https://www.irs.gov/forms-pubs/about-publication-970.
  - This publication provides a worksheet that may be useful in reviewing your applicable education income and expenses.
The *IEA Parent Handbook* posted on the IEA webpage has the complete **description** of each of the approved expenses and explains the **process** for parents to receive **pre-approval** for designated expenses.

- All pre-approval forms and recurring ABLE/Coverdell contribution request forms are only valid for the contract year in which they are submitted.
  - Some pre-approval forms expire before the end of the contract year.
Approved Uses of IEA Funds

- Use of IEA funds must be for the **sole benefit of the participating student** for which the IEA account is established.
  - All expenses must be educational in nature.

- There are **15 types** of approved expenses for the IEA Program.
  - Some expenses require **pre-approval** before IEA funds can be used to pay for the expense.

- The IEA Program **will not reimburse account holders** for any personal funds spent.
Tuition or Fees at a Participating School

- IEA account holders may use IEA funds for tuition, fees, and/or required textbooks at a participating school.
- Many schools charge fees in areas that are not approved by the IEA Program.
  - Account holders are responsible for making sure fees are an approved use of funds before they use IEA funds to pay those fees.
  - All fees submitted must be itemized on the receipt provided to IEA account holders.
Disallowed Expenses

- Any expenses that do not meet the requirements in the *IEA Parent Handbook*
- IEA funds cannot be used to pay for things including, but not limited to, the following:
  - Any fees or costs due to cancelled or missed appointments
  - Paraprofessionals to provide tutoring or therapy services
  - Medical expenses or insurance co-pays
  - Food
  - Before- and after-school care
Disallowed Expenses continued . . . .

- Room and board
- Extracurricular and athletic fees, unless required to attend a participating school
- Supply fees (which include consumable items/materials)
- Clothing
- Field trips
- Any expenses (including services) paid for, provided, or billed outside of the IEA contract period (Aug. 1–July 31)
IEA funds may be used to pay for textbooks required by participating schools.

Parents must submit a Required Textbooks Affidavit Form before the expense is reported in the quarterly expense report.

- Required textbooks may be purchased before submitting this form.

A Required Textbooks Affidavit Form is required for each required textbook.
Participating School Responsibilities

- Participating schools must provide account holders with an **itemized receipt** for all qualifying expenses.

- Participating schools **cannot send parent-held IEA accounts to collections** in order to settle unpaid debts.
  - All contracts entered into are the responsibility of the private parties involved.

- Participating schools must submit to the TDOE a **financial audit** of the school conducted by a certified public accountant, if requested by the TDOE.
Transferring Schools in the IEA Program

- Students enrolled in the IEA Program can transfer from one nonpublic school (including home school) to another at any time during the school year.

- Account holders are responsible for notifying the department if their student transfers to a new school by completing the *Notice of School Transfer Form*.
  
  - The form must be submitted within 15 calendar days of withdrawing from a school.
Account holders **may not accept any payment, refund, or rebate of IEA funds** from a provider of any goods or services for the IEA Program.

Account holders must report refunds of prepaid tuition, fees, items, and/or services to the TDOE within 10 business days.

All refunds must be **returned by the school directly to the TDOE** for credit to the student’s IEA account.

- Refunds must be **received by the TDOE within 15 calendar days** of the student’s withdrawal from the school.

See Chapter Seven of the *IEA Parent Handbook*. 
Refunds

- If a student withdraws from the school and transfers to another participating school or returns to the school district, **refund the tuition and fees on a prorated basis** based on the number of days the student was enrolled in the school.
Approved Uses of IEA Funds

- Tuition, fees, and/or required textbooks at an eligible postsecondary institution
- Tuition or fees for a nonpublic online learning program or course
- Fees for transportation paid to a fee-for-service transportation provider
- Payment for purchase of a curriculum, including any supplemental materials required by the curriculum
- Services provided under contract with a public school, including individual classes and extracurricular programs
Approved Uses of IEA Funds

- Fees for nationally standardized, norm-referenced achievement tests, Advanced Placement examinations, or any examinations related to college or university admission
- Debit card fees
Expenses that Require Pre-Approval

- **Tutoring services** provided by a tutor who meets the qualifications explained in the *IEA Parent Handbook*

- **Educational therapies or services** provided by a therapist who meets the qualifications explained in the *IEA Parent Handbook*

- **Computer hardware or other technological devices** if approved by the TDOE or a licensed treating physician and are used for students’ educational needs

- Contributions to ABLE TN savings account

- Contributions to Coverdell education savings account
Thank you!
Questions? Feedback?
IEA.Questions@tn.gov
Districts and schools in Tennessee will exemplify excellence and equity such that all students are equipped with the knowledge and skills to successfully embark on their chosen path in life.