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**Tennessee Individualized Education Account (IEA) Program**

**Private School Handbook**

Aug. 1, 2020–July 31, 2021



Tennessee Department of Education

January 2020

If you need accommodations to access IEA materials, si habla español, or, please contact the IEA team at IEA.Questions@tn.gov.

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# Chapter 1: Introduction

The Individualized Education Act, signed into law on May 18, 2015 (T.C.A. § Title 49, Chapter 10, Part 14), created the Individualized Education Account (IEA) Program. The IEA Program is a school choice program for eligible students with disabilities. The program provides options for parents of students in grades K–12 to choose the education opportunities that best meet their own unique needs through access to public education funds. The IEA Program is administered by the Tennessee Department of Education (TDOE). Students enrolled in the IEA Program for the first time in January 2017.

In the remainder of this document, the term “**parent**” will be defined as: the parent, legal guardian, person who has custody of the child pursuant to an order of a court of competent jurisdiction, or person with caregiving authority pursuant to a power of attorney for care of a minor child pursuant to T.C.A. § Title 34, Chapter 6, Part 3.

 **Eligibility Criteria for the IEA Program**

 An eligible student must be a Tennessee resident who meets the following criteria:

* was previously enrolled in a Tennessee public school the entire year prior to applying for the IEA program,
* is entering kindergarten for the first time,
* moved to Tennessee less than one year prior to enrolling in the IEA program and is enrolling in a Tennessee school for the first time.

## The Law, Rules, and Procedures

The law (T.C.A. § Title 49, Chapter 10, Part 14) was passed by the Tennessee General Assembly during the 2015 legislative session and provides for the awarding of individualized education accounts (IEAs). The State Board of Education (SBE) has approved rules for the program (rules of the SBE Chapter 0520-01-11), and the TDOE has developed implementation procedures for the program. Links to the IEA Program law, rules, and procedures are posted on the TDOE website: <https://www.tn.gov/education/iea/tdoe2iea-iea-laws-rules-and-procedures.html>.

## Purpose of this Handbook

This *IEA Private School Handbook* is designed to provide information about the IEA Program specifically for private schools (providers). The *IEA Private School Handbook* is meant to supplement the *IEA Parent Handbook*; all school principals should read the [*IEA Parent Handbook*](https://www.tn.gov/education/iea/iea-resources.html) in addition to the *IEA Private School Handbook*.

Both handbooks, along with additional information and answers to frequently asked questions about the IEA Program, are posted on the TDOE’s IEA webpage: <http://www.tn.gov/education/iea>.

New IEA parent and private school handbooks will be released every school year. If you have any suggestions for how the handbooks can be improved, please reach out to IEA.Questions@tn.gov.

## Staying Informed About the IEA Program

Information about the IEA Program, including resources, dates/times/locations for information meetings and trainings, and answers to frequently asked questions is available on the TDOE’s IEA webpage: <http://www.tn.gov/education/iea>.

The TDOE will continuously provide updated information on the website, so please check the website regularly for news and information about the IEA Program.

Private schools can also sign up to receive email updates and the monthly IEA newsletter, the *IEA Update*, by clicking on the link posted on the TDOE’s IEA webpage.

## IEA Program Contact Information

If you have any questions or need additional information about the Individualized Education Account (IEA) Program, please contact the IEA team at (615) 253-3781or IEA.Questions@tn.gov.

If you need accommodations to access IEA materials, si habla español, or, please contact the IEA team at IEA.Questions@tn.gov.

# Chapter 2: Participating Private School Eligibility

In order to participate in the IEA Program and receive IEA funds, private schools must meet the eligibility requirements set by state law, SBE rules, and TDOE procedures. For a complete list of the eligibility requirements for private schools, see Chapter 8 of the *IEA Parent Handbook.*

All private schools must, at a minimum, meet the following requirements:

1. Comply with all health and safety laws or codes that apply to nonpublic schools.
2. Have completed criminal background checks as defined by the IEA Program rules (rules of the SBE Chapter 0520-01-11).
	1. Have never been convicted of a felony, including conviction on a plea of guilty, a plea of nolo contendere, or order granting pre-trial diversion.
3. Exclude from employment any person not permitted by state law to work in a nonpublic school.
4. Exclude from employment any person who might reasonably pose a threat to the safety of students.
5. Not be a family member of a student in the IEA Program, including step parent or a member of a participating student’s household.
6. Be able to accept the IEA debit card.

***Please note:*** **It is the responsibility of account holders to** **research, review, and approve/contract with participating schools**.

* + Account holders are solely responsible for determining how to use the IEA funds following the laws, rules, and procedures of the IEA Program.
	+ The TDOE does not endorse any school.
	+ The account holder is responsible for any contract signed with a school and ensuring that the terms of the contract are fulfilled. The TDOE cannot void a private contract, give legal advice, or arbitrate payment schedules.
	+ The account holder is responsible for repayment of all ineligible expenses and any eligible expenses spent in excess of the amount of the IEA (see Chapter 8 of the *IEA Parent Handbook*).

## Criminal Background Checks:

All private schools must comply with the criminal background check rules pursuant to the rules of the SBE 0520-01-11. On the school application forms, the applicant must attest and provide evidence that the school complies with the criminal background check rules.

To comply with the criminal background check requirement for the IEA Program, private schools must complete both of the following:

1. Complete a fingerprint background check through the Tennessee Bureau of Investigation (TBI): <https://www.tn.gov/tbi/divisions/cjis-division/background-checks.html>.
	1. The private school will need to have an Originating Agency Identifier (ORI) number issued by the TBI to request this background check.
	2. If the private school does not have an ORI number, the private school will need to request one following the instructions on the TBI website.
2. Complete a fingerprint background check through the Federal Bureau of Investigation (FBI): <https://www.fbi.gov/services/cjis/identity-history-summary-checks>

**What standards must the criminal background check meet?**

* A “criminal background check” at a minimum shall include, but not be limited to, a check of the following: Tennessee’s Sex Offender Registry and the Abuse Registry of the Tennessee Department of Health.
* All service providers and employers of service providers must maintain documentation that any person providing services to participating students has undergone a fingerprint-based criminal history records check conducted by the Tennessee Bureau of Investigation (TBI) and forwarded by the TBI to the Federal Bureau of Investigation for processing pursuant to the National Child Protection Act.

# Chapter 3: Participating Private School Rights & Responsibilities

## Participating Private School Rights

The following are the rights of private schools participating in the IEA Program as listed in the Individualized Education Account Act:

1. A participating school is autonomous and not an agent of the state or federal government.
2. Neither the TDOE nor any other state agency may regulate in any way the educational program of a participating nonpublic school that accepts funds from the parent of a participating student.
3. The creation of the IEA Program does not expand the regulatory authority of the state, its officers, or any school district to impose any additional regulation of nonpublic schools beyond those necessary to enforce the requirements of the program.
4. Participating nonpublic schools shall be given the maximum freedom to provide for the educational needs of their students without governmental control.
5. A participating nonpublic school shall not be required to alter its creed, practices, admissions policies, or curriculum in order to accept participating students.

## Participating Private School Responsibilities

Private schools participating in the IEA Program must, as part of their application to participate in the IEA Program, agree to the following:

Provide to the TDOE all documentation required for a student’s participation, including the school’s and student’s fee schedules and a school calendar.

Be academically accountable to the parent for meeting the educational needs of the student.

At a minimum, annually provide to the parent 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) identified by the TDOE or the Tennessee Comprehensive Assessment Program (TCAP) test(s), or any future replacements of the TCAP test(s) (see the “Assessments” section below).

Comply with all health and safety laws or codes that apply to nonpublic schools.

Do 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 IEA Program rules (rules of the SBE Chapter 0520-01-11).

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.

Provide parents with a receipt for all qualifying expenses. Providing receipts to parents is crucial to help them fulfill their contractual obligation to provide the TDOE with quarterly expense reports and receipts. If a parent fails to send the TDOE complete expense reports and receipts, the parent/student could be removed from the IEA Program. If a private school charges fees outside of the tuition amount, these fees must be itemized on the receipt given to the parent. Using IEA funds for food, field trips, or other unapproved expenses could result in the parent/student’s removal from the program.

Do not hold IEA cards and run them on-site without the parent present or copy credit card information for use at a later date.

Do not accept private placement funds for students enrolled in the IEA Program. Since parents of students enrolled in the IEA Program waive all their child’s IDEA rights and FAPE, parents cannot accept public private day placement funds while receiving an IEA. Private schools should be aware of this policy and never accept an IEA and public private day placement funds for a single student at the same time from a school district. A parent found receiving public private day funds and receiving an IEA is in violation of their contract and will be removed from the IEA Program.

Annually submit to the TDOE the graduation and completion rates of students in the IEA Program following the instructions provided by the TDOE by the deadline posted on the IEA webpage.

Submit to the TDOE a financial audit of the school conducted by a certified public accountant, if requested by the TDOE and following the guidelines set by the TDOE.

If a student withdraws from the school and transfers to another 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 following the procedures set by the TDOE. Parents may not accept any payment, refund, or rebate of IEA funds from a provider of any services for the IEA Program. All refunds must be returned by the private 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.

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 parent. If a student transfers from a participating school, the school must provide the parents copies of all the student’s educational records within five business days of the transfer regardless of whether the parent owes money to the school. If a school does not provide the records as required by this part, the TDOE can remove the school from participating in the IEA Program.

Do not 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.

Comply with all state laws, rules, and procedures for nonpublic schools.

Comply with the minimum kindergarten age requirement pursuant to T.C.A § 49-6-201(b)(3) Minimum Kindergarten Program Law and the State Board of Education rules for non-public school approval - Chapter 0520-07-02 Non-public School Approval Process.

Comply with all of the IEA state laws, rules, and procedures for participating schools and the requirements set in the *IEA Private School Handbook.*

The TDOE can deny a school’s application for participation in the IEA Program and remove a school from participating in the IEA Program for failure to comply with any state laws, rules, and procedures for nonpublic schools. The TDOE can deny a school’s application for participation in the IEA Program and remove a school from participating in the IEA Program for failure to comply with the requirements set in the *IEA Private School Handbook* and *IEA Parent Handbook,* including, but not limited to, submission of IEA forms following the procedures set by the TDOE.

## Private School Proportionate Share

The federal regulations that implement the Individuals with Disabilities Education Act (IDEA) require public education agencies (school districts) to spend a proportionate share of their federal special education funding to provide special education and related services to children with disabilities who are enrolled by their parents in private schools (including religious schools) located within their jurisdiction (34 C.F.R. §§ 300.132 and 133). Each school district must consult with private school representatives and representatives of parentally placed private school children with disabilities in order to design and develop a plan for the provision of equitable services to parentally placed private school children with disabilities (see 34 C.F.R. § 300.134). However, 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 through the consultation described above it will make available to that population of children.

## Assessment

If a student is in grades 3–8, the parent must submit verification to the TDOE that the student has taken either a nationally norm-referenced test(s) approved by the TDOE (see the *IEA Parent Handbook* for a list of approved norm-referenced assessments) or the Tennessee Comprehensive Assessment Program (TCAP) test(s), or a future replacement of the TCAP test. The tests should, at a minimum, measure learning in mathematics and English language arts (ELA). Students with disabilities who would have participated in the alternate assessment, as determined on the student's IEP (active at the time of application to the IEA Program), are exempt from this requirement.

Schools participating in the IEA Program must agree to administer either a nationally norm-referenced test(s) approved by the TDOE or the TCAP test(s), or any future replacements of the TCAP test(s), to students enrolled in the IEA Program in grades 3–8 if requested by the parent. The school may charge parents a fee to administer the assessments, and parents may use IEA funding to pay assessment fees. Any assessment fees charged by the school must be included in the fee schedule submitted with the school’s application to participate in the IEA Program and must be itemized on the receipt given to parents.

If the school administers a norm-referenced test(s) to a student enrolled in the IEA Program, the school must provide the student’s parent with an assessment report which shall include, at a minimum:

* the name of the assessment,
* the date the assessment was administered to the student,
* the student state ID number (issued by the public school district in which the student resides),
* the name of the student (first, last, and middle initial), **and**
* the student’s score on the assessment.

If the school administers a TCAP assessment to a student receiving an IEA, the school must identify on the forms submitted to the TDOE the student’s state ID number (issued by the public school district in which the student resides). Instructions for how to code the TCAP answer documents and Test Administration Group (TAG) for students in the IEA Program will be included in the 2018-19 Test Administration Manual (TAM).

## Updating School Information

If at any time, the information submitted in the school 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.

## Annual Graduation and Completion Rates

Annually, participating schools must submit the graduation and completion rates of twelfth grade students in the IEA Program to the TDOE on the form provided by the TDOE. The completed form must be **received** by the TDOE no later than **June 14**.

Participating schools will have to report all of their twelfth grade students who participate in the IEA Program as one of the following: graduated, completed, withdrew from the school, repeating twelfth grade, or other with an explanation.

* Participating schools will define graduation as a student who has either received a regular diploma or a special education diploma.
* Participating schools will define completion as a student who has taken and passed the HiSET or GED.

***Please note:*** 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.

## Audit

The TDOE may require participating schools to submit to the TDOE a financial audit of the school conducted by a certified public accountant. Such audit shall include a statement that the report is free of material misstatements and fairly represents the participating school’s maximum total tuition and fees. Any funds determined by the TDOE to be expended in a manner inconsistent with this part shall be returned to the state.

## School Site Visits

In order to participate in the IEA Program, nonpublic schools must agree to allow the TDOE to conduct site visits. The purpose of the site visits is solely to verify the information reported by the schools concerning the enrollment and attendance of students, background screening of teachers, and compliance with state law, rules, and procedures.

# Chapter 4: Private School Application Process & Participation

In order to participate in the IEA Program and accept IEA funding from parents for payment for tuition, fees, and/or textbooks, private schools must apply to the TDOE, receive approval, and be placed on the approved list of IEA participating schools. If approved, private schools can begin accepting IEA funding on either the date of approval as noted on the approved participating schools list or Aug. 1, 2020, **whichever date comes last**, through the end of the IEA contract year (July 31, 2021), unless the school is suspended or removed from the IEA Program.

## Private School Application Process

Applications for private schools to participate in the IEA Program must be completed and submitted by the principal of the school. The school principal of private schools interested in participating in the IEA Program must apply following the instructions posted on the IEA webpage: <https://www.tn.gov/education/iea/iea-school-information/iea-school-application.html>. Completed applications must be received by the TDOE to be considered.

The school principal of a private school must complete and submit the following forms and documentation to the TDOE in order to request approval to participate in the IEA Program:

1. The IEA Participating School Application and Agreement
2. Surety bond (electronic and physical copy) or statement by a certified public accountant (CPA) (electronic copy) (see the section below)
3. School calendar (for the school year that the school is applying to participate in the IEA Program)
4. List of all tuition and fees (for the school year that the school is applying to participate in the IEA Program)

Before completing the application/agreement, school principals must read the following documents posted on the TDOE’s IEA webpage (<http://www.tn.gov/education/iea>):

* [IEA Program law, T.C.A. § Title 49, Chapter 10, Part 14](https://www.tn.gov/education/iea/tdoe2iea-iea-laws-rules-and-procedures.html)
* [IEA Program rules of the SBE Chapter 0520-01-11](https://www.tn.gov/education/iea/tdoe2iea-iea-laws-rules-and-procedures.html)
* [IEA Program Procedures](https://www.tn.gov/education/iea/tdoe2iea-iea-laws-rules-and-procedures.html) developed by the TDOE
* [IEA Parent Handbook](https://www.tn.gov/education/iea/iea-resources.html)
* [IEA Private School Handbook](https://www.tn.gov/education/iea/iea-resources.html)

The parent and private school handbooks include the allowable use of IEA funds, the responsibilities of parents, the responsibilities of participating schools, and the duties of the TDOE. Principals of schools interested in participating in the IEA Program should read both handbooks before applying to participate in the IEA Program.

By completing the application, the principals of private schools agree that the school will comply with all state laws, rules, and procedures for the IEA Program as well as the requirements in the *IEA Private School Handbook* and *IEA Parent Handbook*. Schools that do not comply may be removed from participating in the IEA Program.

If school principals have questions about the IEA Program, please contact the IEA team at IEA.Questions@tn.gov.

### School Renewal

Annually, participating school principals must complete and submit a new application to the TDOE, along with all supporting documentation, and be approved in order to continue to participate in the IEA Program for the next school year.

### Inclusive Educational Setting

In the application, school principals must indicate whether the school provides an “inclusive educational setting” or does not provide an inclusive setting. For the purposes of the IEA Program, a participating private school is considered to have an inclusive educational setting if the following two criteria are met:

* 1. Students with disabilities are educated with non-disabled children.
	2. No more than 50 percent of the students in an individual classroom or setting are students with disabilities.

***Please note:*** Private schools do not have to have an inclusive educational setting to participate in the IEA Program; state law simply requires that the TDOE indicate on the participating school list which schools have an inclusive educational setting.

### Surety Bond or Statement by a Certified Public Accountant

Private schools must demonstrate financial viability to repay any funds that may be owed to the state by filing with the TDOE financial information verifying the school has the ability to pay an aggregate amount equal to the amount of IEA funds expected to be paid during the school year. Schools can comply with this requirement by doing **one** of the following:

1. File a **surety bond** payable to the state from a surety. The amount of the surety bond must be equal to the maximum number of students enrolled in the IEA Program the school has the capacity to enroll (identified in the school’s application/renewal application) multiplied by $1,600. For example, if a school has the capacity to enroll 10 students, the school would report their maximum capacity as 10 in the application and then the amount of the surety bond would be $16,000 ($1,600 x 10). The school could also decide that while it has capacity to enroll 10 students, it only wants to accept five students who receive IEAs, in which case the school could report ‘five’ as the maximum number of students in the application and then submit a bond in the amount of $8,000 ($1,600 x 5). The template of the surety bond that schools must use is posted on the IEA Resources webpage: <https://www.tn.gov/education/iea/iea-resources.html>. **The bond must be signed by someone duly authorized to bind the organization to this agreement (e.g., the principal).**
2. If a school has been approved as a Category I, II, or III nonpublic school for **five years or more,** in lieu of the surety bond, the school can submit a **statement by a certified public accountant** confirming that the school has the ability to pay an aggregate amount equal to the maximum number of students enrolled in the IEA Program the school has the capacity to enroll (identified in the school’s application/renewal application) multiplied by $1,600. **The CPA statement must be notarized.** The template of the CPA statement that schools must use is posted on the IEA Resources webpage: <https://www.tn.gov/education/iea/iea-resources.html>.

**Private schools must submit an electronic copy of their surety bond or statement by a certified public accountant on the template provided by the TDOE as part of their application to participate in the IEA Program.** If the school is submitting a surety bond, schools must also mail a hard copy of the surety bond to the TDOE (see below).

**Please mail surety bonds to the following:**

Marisa Hunter, IEA Program Specialist

Andrew Johnson Tower, 12th Floor

710 James Robertson Parkway

Nashville, TN 37243

**The electronic and hard copies must be received by the TDOE in order for the application to be reviewed.**

### Next Steps After the Application is Submitted

1. After the TDOE receives the application, the TDOE will notify the school principal via email that the application has been received. All emails will be sent to the email address listed on the school’s application.
2. The TDOE will review the application/agreement and all supporting documentation and notify the school principal via email as to whether or not the school is approved to participate in the IEA Program. The review process may take up to 30 calendar days.
3. If the TDOE approves the school’s application to participate in the IEA Program, the TDOE will include the school on the list of participating schools for that school year posted on the TDOE’s IEA webpage: <https://www.tn.gov/education/iea/iea-resources.html>.
	1. If approved, private schools can begin accepting IEA funding on either the date of approval as noted on the approved participating schools list or Aug. 1, 2020, **whichever date comes last**, through the end of the IEA contract year (July 31, 2021), unless the school is suspended or removed from the IEA Program.
4. If the TDOE does not approve the school’s application to participate in the IEA program, the TDOE will include in the email an explanation as to why the school was not approved, and also send the school a denial letter via first-class USPS mail to the address listed on the application.

### Appeal of Denial of School Application to Participate in the IEA Program

If the school’s application is denied, the school principal may appeal the TDOE’s decision pursuant to the appeals procedures in the rules of the SBE 0520-01-11-.10.

* **Step 1:** The appeal shall be submitted to the commissioner of education within 10 business days of receipt of the notice of application denial. Notice of application denial shall be provided electronically and via first-class USPS mail and be deemed received three business days after the date of postmark. The appeal shall be reviewed by the commissioner of education, or the commissioner’s designee, and a decision shall be issued within 45 calendar days. To file a step one appeal, complete the [step 1 appeal form](https://www.tn.gov/education/iea/iea-school-information/iea-school-appeals.html) posted on the IEA web page, and email the completed form to IEA.Questions@tn.gov.
* **Step 2:** The participating school shall be notified of the commissioner’s decision for in the step one appeal electronically and via first-class USPS. Such notice shall be deemed received three business days after the date of postmark. An appeal of the commissioner’s decision in step one shall be filed with the commissioner by the participating school within thirty calendar days and shall conform to the Uniform Administrative Procedures Act (UAPA) (T.C.A. Title 4, Chapter 5). To file a UAPA appeal, please complete the [UAPA form](https://www.tn.gov/education/iea/iea-school-information/iea-school-appeals.html) posted on the IEA webpage and email the completed form to IEA.Questions@tn.gov. After the UAPA form has been submitted to the department, you will be notified by an administrative law judge who will set the date and time of your hearing.

## Suspension and Revocation of Participating Schools

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. The TDOE can deny a school’s application for participation in the IEA Program, and remove a school from participating in the IEA Program for failure to comply with any state laws, rules, and procedures for nonpublic schools or the requirements set in the *IEA Private School Handbook* and *IEA Parent Handbook*, including, but not limited to, submission of IEA forms following the procedures set by the TDOE. However, if the noncompliance is correctable within a reasonable amount of time and if the health, safety, or welfare of the students is not threatened, the TDOE may issue a notice of noncompliance which provides the school with a timeframe within which to provide evidence of compliance before the TDOE takes action to suspend or revoke the school’s participation in the IEA Program.

1. If the TDOE issues a notice of noncompliance:
	1. School principals shall be given a reasonable period from the date of the notice, as determined by the TDOE, to demonstrate compliance.
	2. The notice shall state the reasons for the noncompliance, provide instructions on how to demonstrate compliance, and give a deadline for demonstrating compliance to the TDOE.
2. If the TDOE issues a notice of proposed action denying, suspending, or revoking a school’s participation:
	1. The notice shall state the reasons for the action and specify the school’s right to appeal.

The TDOE may deny, suspend, or revoke a school’s participation in the IEA Program if the TDOE determines that an owner or operator of the school is operating or has operated a company/organization/educational institution in this state or in another state or jurisdiction in a manner contrary to the health, safety, or welfare of the public.

1. In making such a determination, the TDOE may consider factors that include, but are not limited to: acts or omissions by an owner or operator that led to a previous denial or revocation of participation in Tennessee’s IEA Program or similar programs in other states; an owner’s or operator’s failure to reimburse the TDOE for IEA funds improperly received or retained by a school; imposition of a prior criminal sanction related to an owner’s or operator’s management or operation of an educational institution; imposition of a civil fine or administrative fine, license revocation or suspension, or program eligibility suspension, termination, or revocation related to an owner’s or operator’s management or operation of a company/organization/educational institution; or other types of criminal proceedings in which an owner or operator was found guilty of, regardless of adjudication, or entered a plea of nolo contendere or guilty to any offense involving fraud, deceit, dishonesty, or moral turpitude.
2. For purposes of this subparagraph, the term “owner or operator” includes an owner, operator, superintendent, or principal of—or a person who has equivalent decision making authority over—a nonpublic school participating in the IEA Program.

The TDOE may immediately suspend a school’s participation in the IEA Program if it is determined that there is probable cause to believe that there is:

1. an imminent threat to the health, safety, or welfare of the students
and/or
2. fraudulent activity on the part of the school. In incidents of alleged fraudulent activity pursuant to this section, the TDOE is authorized to release personally identifiable records or reports of students to the following persons or organizations:
	1. A court of competent jurisdiction in compliance with an order of that court or the attorney of record in accordance with a lawfully issued subpoena, consistent with the Family Educational Rights and Privacy Act, 20 U.S.C. s. 1232g.
	2. A person or entity authorized by a court of competent jurisdiction in compliance with an order of that court or the attorney of record pursuant to a lawfully issued subpoena, consistent with the Family Educational Rights and Privacy Act, 20 U.S.C. s. 1232g.
	3. Any person, entity, or authority issuing a subpoena for law enforcement purposes when the court or other issuing agency has ordered that the existence or the contents of the subpoena or the information furnished in response to the subpoena not be disclosed, consistent with the Family Educational Rights and Privacy Act, 20 U.S.C. s. 1232g, and 34 C.F.R. s. 99.31.
	4. The TDOE’s order of suspension may be appealed pursuant to the appeals procedures in the rules of the SBE Chapter 0520-01-11.

If the TDOE suspends or terminates a school’s participation, the TDOE shall notify affected participating students and their parents of the decision. 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.

### Appeals: Request for Reconsideration

Schools may appeal the TDOE’s decision to deny, suspend, or terminate an entity’s participation in the IEA Program pursuant to the following two-step appeals process as required in the rules of the SBE Chapter 0520-01-11:

* **Step 1:** The appeal shall be submitted to the commissioner of education within 10 business days of receipt of the notice of application denial, suspension, termination, and/or removal. Notice of application denial, suspension, termination, and/or removal shall be provided electronically and via first-class USPS mail and be deemed received three business days after the date of postmark. The appeal shall be reviewed by the commissioner of education, or the commissioner’s designee, and a decision shall be issued within 45 calendar days. To file a step one appeal, complete the [step 1 appeal form](https://www.tn.gov/education/iea/iea-school-information/iea-school-appeals.html) posted on the IEA web page, and email the completed form to IEA.Questions@tn.gov.
* **Step 2:** The participating school shall be notified of the commissioner’s decision for in the step one appeal electronically and via first-class USPS. Such notice shall be deemed received three business days after the date of postmark. An appeal of the commissioner’s decision in step one shall be filed with the commissioner by the participating school within thirty calendar days and shall conform to the Uniform Administrative Procedures Act (UAPA) (T.C.A. Title 4, Chapter 5). To file a UAPA appeal, complete the [UAPA form](https://www.tn.gov/education/iea/iea-school-information/iea-school-appeals.html) posted on the IEA webpage and email the completed form to IEA.Questions@tn.gov. After the UAPA form has been submitted to the department, you will be notified by an administrative law judge who will set the date and time of your hearing.

# Chapter 5: Use of IEA Funds

IEA funds may only be used for the expenses listed in IEA Program law (T.C.A. § Title 49, Chapter 10, Part 14), IEA Program rules (rules of the SBE Chapter 0520-01-11), TDOE IEA Program Procedures, and the *IEA Parent Handbook*. For a complete list of the approved uses of IEA funds, see Chapters 8 and 9 of the *IEA Parent Handbook*.

***Please note the following:***

* Services paid for using IEA funds must be educational and directly go to improve the education of the student in the IEA Program.
* The use of IEA funds must be for the sole benefit of the participating student for which the IEA is established. Any services, paid for using IEA funds shall only be used by the participating student whose IEA paid for said services.
* IEA funds cannot be used to pay for:
	+ Any expenses that do not meet the requirements in the *IEA Parent Handbook*
	+ 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
	+ 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 contracts are entered into with the parent, not private schools. Parents are responsible for any contract signed with private schools and for ensuring that the terms of the contract are fulfilled.
* The TDOE cannot void a private contract, give legal advice, or arbitrate payment schedules.
* Schools cannot hold IEA cards and run them on-site without the parent present or copy credit card information for use at a later date.
* The parent is responsible for payment of all ineligible expenses and any eligible expenses in excess of the amount of the IEA.
* Participating schools cannot accept public private day placement funds for students enrolled in the IEA Program.
* If a participating school misuses or fraudulently spends IEA funds, the school will be responsible for repaying those funds to the state treasurer, and the school will be immediately removed from the IEA Program. Cases of fraud and misuse of funds may also be referred to the state comptroller’s office or the state attorney general’s office.

## Refunds

Parents may not accept any payment, refund, or rebate of IEA funds from a provider of any goods or services for the IEA Program.

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 service being cancelled, the item being returned, or the student’s withdrawal from the school. **All refunds should be placed back on the IEA debit card by the school.**

***Please note the following:***

* If the school is unable to refund the funds directly back onto the IEA debit card, the school can mail the TDOE a certified check (including money orders). Checks should be payable to: Treasurer, State of Tennessee
	+ With the check, the school must include a letter with the account holder’s name, the student’s name, and the reason the funds are being returned to the state.
	+ Mail the check and letter to:

Tennessee Department of Education
Attention: Marisa Hunter, IEA Program Specialist
Andrew Johnson Tower, 12th Floor
710 James Robertson Parkway
Nashville, TN 37243