



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

**Spring 2019 Private School Information  
Session**

IEA Team: Rebecca Wright, Kristi Harris, & Meg Cummins

# IEA Team & Contact Information

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# IEA Webpage, IEA Update

- IEA web page: <https://www.tn.gov/education/iea.html>
  - Resources and information for parents and private schools
- Monthly IEA Email Newsletter – IEA Update
  - Subscribe by going to the IEA webpage



# Presentation Agenda

1. Overview of the IEA Program
2. Private School Eligibility
3. Participating Schools' Rights
4. Participating Schools' Responsibilities
5. IEA Funding
6. Approved Expenses
7. Private School Application Process

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# **Overview of the IEA Program**

# Introduction to the IEA Program

- The Individualized Education Account (IEA) Program **was adopted by the state legislature in 2015.**
- The IEA Program creates **accounts (IEAs)** for **eligible students in grades K–12** with disabilities to use **public funds** for educational purposes.
- The program provides **options** for parents to **choose** the educational opportunities that best meet their child's own unique needs.

# IEA Program Overview

- The program is **statewide**; a student can reside in any school district in Tennessee.
- There is **no cap** on the number of students who can participate and/or the number of IEA accounts that can be established.
- Students enrolled in the IEA Program for the **first time in January 2017**.

# IEA Application Window

- The IEA application window is open **one time** per year.
- Students can apply to participate in the IEA Program **once per year**.
- The student **application window for the 2019-20 school year will open in January 2019**.
  - Applications are due **April 15, 2019, by 3 p.m. CT**.
  - Students will **enroll** in the program beginning **Aug. 1, 2019**.
  - Students must stay enrolled in their public school through July 31, 2019, to maintain eligibility.



# IEA Program School Options

- Students in the IEA Program **cannot be enrolled full-time** in a public school as their school of record.
- Students can either be:
  - enrolled as an **independent homeschooled student** registered with the school district, or
  - enrolled in a **private school** (including private virtual schools and home-school umbrella programs).
- Students **can transfer from one nonpublic school to another** during the year at any time (including home school and private school).

# Parent Rights and Responsibilities

- By placing your child in the IEA Program, parents are agreeing to:
  - Take **full legal responsibility for the education** of your child, including obtaining services necessary to educate your child.
  - **Waive all** of your child's **rights to services** under the federal Individuals with Disabilities Education Act (**IDEA**).



# All Student Rights & Services are Waived

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.

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# **Private School Eligibility**

# Participating School Qualifications

- Conducts criminal background checks on employees in compliance with the IEA rules.
- Certifies that they shall not discriminate against students or applicants on the basis of race, color, or national origin.
- Complies with all health and safety laws or codes that apply to nonpublic schools.

# Participating School Qualifications

- Excludes from employment any person not permitted by state law to work in a nonpublic school.
- Excludes from employment any person who might reasonably pose a threat to the safety of students.
- Agrees to comply with all IEA laws, rules, and procedures, and complete all responsibilities as explained in the *IEA Private School Handbook*.



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# **Participating Schools' Rights**

# Participating School Rights

- 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.
- A participating nonpublic school shall not be required to alter its creed, practices, admissions policies, or curriculum in order to accept participating students.
- For a full list of rights, see the *IEA Private School Handbook*.

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# **Participating Schools' Responsibilities**

# Participating School Responsibilities

- A full list of responsibilities can be found in the *IEA Private School Handbook*.
- **Conduct criminal background checks** on employees as defined by the SBE IEA Rules.
- 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**.
- Provide parents with a **receipt** for all qualifying expenses.

# Participating School Responsibilities

- Annually submit to the TDOE the **graduation and completion rates** of students in the IEA Program following the instructions provided by the TDOE and by the date posted on the TDOE's website.
- Submit to the TDOE a financial audit of the school conducted by a certified public accountant, if requested by the TDOE.
- Allow the TDOE to conduct site visits.
  - The purpose of the site visits is solely to verify the information reported by the schools for the IEA Program.

# Assessment Administration

- Per state law, students participating in the IEA Program who are in grades 3-8 must take **an annual assessment in English language arts (ELA) and mathematics**.
  - The assessment must be either a nationally norm-referenced assessment approved by the TDOE or the TCAP assessment.
- Participating schools must administer the state TCAP assessments to students enrolled in the IEA Program **if requested** by the parent.

# Assessment Results

- Results must be reported to the parent.
  - Parents must submit **verification of assessment administration** to the TDOE each year.
- **Will the results of the student assessments be publicly released?**
  - No. The TDOE will not compile, track, or publicly release student assessment results; student assessment results submitted to the TDOE will only be reviewed to verify that the student has taken the required assessments.

# Where do students take the assessments?

Assessment	Private School Students	Homeschool Students
State Tests (TNReady)	Parents should contact the private school to ask them to order the tests from the state. The private school would administer the test.	Parents should contact the school district with which the student resides in order for their student(s) to take the assessment.
Norm-Referenced Tests	<p>Parents should contact the private school to ask if the school could order and administer the test.</p> <p>Depending on which test the parent chooses, the test could be ordered directly from the testing company or administered through a local testing center.</p>	Depending on which test the parent chooses, the test could be ordered directly from the testing company or administered through a local testing center.

# Student Withdrawal from a Private School

- If a student withdraws from the school, **refund the tuition and fees on a prorated basis** based on the number of days the student was enrolled in the school.
  - All refunds must be returned by the school/provider directly to the TDOE for credit to the student's IEA account 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.



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**IEA Funding**

# Private School Proportionate Share

- 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.

# How much funding will students receive?

- The amount of the IEA funds students receive is based on the school district in which the student resides and is zoned to attend.
  - 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**.
- The IEA funding amounts change each year.
  - To see the amount of the IEA funding for the 2018-19 school year, go to the 'Resources' section of the IEA web page, click 'Per Pupil Funding-Parents'.

# Funding Disbursement

- The IEA Program is a direct payment program; **personal funds spent will not be reimbursed.**
- The TDOE is using a prepaid debit card system to distribute IEA funds to parents/students.
  - Participating schools must be able to run the IEA debit card to receive payment.
- Account holders receive funding in **ten payments** deposited into an IEA debit card account.
  - Approximate dates of payment are posted on the IEA webpage.

# 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 fifty 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.

# Misspent Funds

- To verify that an expense is approved, submit the applicable expense pre-approval form or contact the IEA team before purchasing an item or service.
- 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.
- Account holders who misspend funds are subject to **removal** from the IEA Program.
- 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.

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**Approved Expenses**



# Full Description of Approved Expenses

- The ***IEA Parent Handbook*** posted on the IEA web page has the complete **description** of each of the approved expenses and explains the **process** for parents to receive **pre-approval** for designated expenses.



# Tuition or Fees at a Participating School

- Parents may use IEA funds for tuition, fees, and/or required textbooks at a **participating nonpublic school**.
  - The **list of participating schools** is posted on the IEA web page.
- Some fees are not approved by the IEA Program.
  - All fees submitted must be itemized on the receipt schools provide to parents.
- Parents can send their child to any nonpublic school of their choosing, but IEA funds can be used to pay for tuition/fees only at approved IEA participating private schools.

# 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:
  - Paraprofessionals to provide tutoring or therapy services
  - Food
  - Before- and after-school care
  - Room and board

# Disallowed Expenses continued . . . .

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

# Approved Uses of IEA Funds

Parents may use IEA funds **only for the benefit of the student enrolled in the IEA program** for the following expenses listed in the law:

- **Fees for nationally standardized, norm-referenced achievement tests**, Advanced Placement examinations, or any examinations related to college or university admission
- Tuition, fees, or required textbooks at an eligible **postsecondary institution**
- Tuition or fees for part-time enrollment in a **nonpublic online learning program or course**

# Approved Uses of IEA Funds

- **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
- **Debit card fees:** There are currently no fees for the IEA debit card.

# Expenses that Require Pre-Approval

- **Tutoring services** provided by a tutor accredited by a state, regional, or national accrediting organization
- **Educational therapies or services** for participating students from a licensed or accredited practitioner or provider
- **Computer hardware or other technological devices** if approved by the TDOE or a physician and are used for student's educational needs

# Expenses that Require Pre-Approval

- **Contributions to ABLE TN savings account** for the benefit of the participating student, except that funds used for elementary or secondary education expenses shall be for expenses otherwise allowed
- **Contributions to Coverdell education savings account** established under 26 U.S.C. § 530 for the benefit of the participating student, except that funds used for elementary or secondary education expenses shall be for expenses otherwise allowed



# Expense Reporting

- Parents will have to submit **receipts and expense reports each quarter**.
  - The TDOE will review expense reports and receipts.
- 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.

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# **Private School Application Process**

# Required Reading

Before completing the application/agreement, schools must read the following documents posted on the TDOE's IEA web page (<https://www.tn.gov/education/iea.html>):

- [IEA Program law, T.C.A. § Title 49, Chapter 10, Part 14](#)
- [IEA Program rules of the SBE Chapter 0520-01-11](#)
- [IEA Program Procedures](#)
- [IEA Parent Handbook](#)
- [IEA Private School Handbook](#)

# Private School Application Process

- Private School Applications are accepted year-round.
- Applications for the 2019-20 school year will open in **January 2019**.
- Schools must submit a new application each year.
- In the application, schools must report the **maximum number of students** receiving IEAs that the school has the capacity to enroll.



# Application Required Documents

A nonpublic school must submit the following documentation with the application to the TDOE in order to participate in the IEA Program:

1. Surety bond or statement by a certified public accountant (CPA)
2. School calendar
3. List of all tuition and fees

# Participating School Financial Viability

Schools must submit **one** of the following with the application:

- **A surety bond payable** to the state from a surety. The amount of the surety bond is 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) multiplied by \$1,600.
- 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 private 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 multiplied by \$1,600.

# Inclusive Educational Setting

- In the application, schools must indicate whether the school provides an **“inclusive educational setting.”**
- For the purposes of the IEA Program, a participating nonpublic school is considered to have an inclusive educational setting if the following two criteria are met:
  - Students with disabilities are educated with non-disabled children.
  - No more than 50 percent of the students in an individual classroom or setting are students with disabilities.

# Application Requirements

- By completing the application, participating private schools agree to comply with all state laws, rules, and procedures for the IEA Program as well as the requirements in the *Parent and Private School Handbooks*.
  - Schools that do not comply will be removed from participating in the IEA Program.
- If the TDOE determines that a school is eligible to participate in the IEA Program, **the TDOE will notify the school and list the school on the TDOE's website.**



# Updating School Information

- If at any time **the information submitted in the application changes**, including, but not limited to, the name of the school principal, the email address, physical address, and phone number, the school must report the changes by emailing [IEA.Questions@tn.gov](mailto: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.



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**Thank you!**  
**Questions? Feedback?**

[IEA.Questions@tn.gov](mailto:IEA.Questions@tn.gov)



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