



Individualized Education Account (IEA) Program

Presentation Agenda

1. Overview of IEA Program
2. Implementation Objectives & TDOE Responsibilities
3. Stakeholder Engagement & Communications
4. Overview of Proposed IEA Program Rules
 - A. Student Eligibility
 - B. Process to Enroll in the IEA Program
 - C. IEA Funding & Approved Uses of IEA Funds
 - D. Participating Schools & Providers
 - E. Educational Therapy & Tutoring Services
 - F. Other Approved IEA Expenses
 - G. Withdrawal, Transfer, & Removal from the IEA Program
 - H. Appeals

IEA Program Overview

- The Individualized Education Account (IEA) program **was adopted by the General Assembly in 2015** (Public Chapter 431).
- The IEA creates **accounts** (IEAs) for **eligible students** with disabilities to use for educational purposes.
- The program provides **options** for parents and students to choose the education opportunities that best meet their own unique needs through access to **public education funds**.
- The IEA program will **go into effect** in the 2016-17 school year.
 - Student **application window** will open by **Aug. 2, 2016**.
 - Students will **enroll** in the program beginning **Jan. 1, 2017**.

IEA Program Overview

- There is **no cap** on the number of students who can participate and/or the number of IEA accounts that can be established.
- The program is **statewide**; a student can reside in any LEA in Tennessee.
- Students in the IEA program **waive all IDEA rights** and their **IEP is no longer valid** after they enter the program.
- Students will be **counted in the LEA's enrollment** for purposes of generating **funding**, but **will not be included** in the LEA's **accountability**.
 - IEA will have a separate classification code in EIS, and there will be an IEA Course Code.
- Students can apply to participate in the IEA program **once per year** (spring application window for August start date).

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 in an **independent homeschooled student** registered with the LEA, or
 - enrolled in a **private school** (including private virtual schools).
- Students **can transfer from one participating school to another** during the year.
- Students **can withdraw from the IEA program** at anytime and return to the LEA.

IEA Accountability

- Students in **grades 3-8** must take either **TCAP or a norm-referenced assessment in English language arts and math.**
 - Results must be reported to the parent.
 - TDOE will require parents to submit verification of assessment administration each year.
- **No other accountability metrics** are specifically required by the law.



IEA Program Implementation

Program Implementation Objectives

- The TDOE is responsible for **administering the program** and will develop IEA program **procedures**.
- The two goals for the development and implementation of the IEA Program are:
 1. To **implement the law responsibly**, effectively, and in compliance with its specific language and intent.
 2. To provide students and parents **with additional education options** pursuant to the law, and do so in a **clear and transparent way** so that parents can make informed choices for their children.

TDOE Responsibilities & Next Steps

- Revise **draft IEA rules** based on stakeholder and public feedback for the SBE **final read** in January
- Create **administrative procedures** for IEA program
- Create **application materials, system for submitting application, and process to review/ approve applications** from students and private schools/ providers interested in participating in the IEA program
- Create process for receiving and reviewing **receipts**
- Develop **communications plans** for stakeholders
- Plan **IEA information and training sessions** for parents and school districts
- Determine **program evaluation system and metrics**
- Create **fraud reporting system**

Internal IEA Advisory Group Members

- **Stephen Smith**, Deputy Commissioner, Policy and External Affairs
- **Rebecca Wright**, Director, IEA Program
- **Sara Heyburn**, Executive Director, State Board of Education
- **Nathan James**, Director of Legislative Affairs, State Board of Education
- **Angie Sanders**, General Counsel, State Board of Education
- **Joey Hassell**, Assistant Commissioner, Division of Special Populations and Student Support
- **Suzanne Keefe**, Executive Director, Division of Special Populations and Student Support Services
- **Theresa Nicholls**, Director of Special Education Eligibility, Special Populations
- **Marcy Tidwell**, Director of School Choice
- **Maryanne Durski**, Executive Director, Office of Local Finance
- **Christy Ballard**, General Counsel
- **Bill Wilson**, Assistant General Counsel for Special Education
- **Amy Owen**, Director of Academic Research, Policy, and Communications, Office of Academic Strategy and Operations
- **Elizabeth Fiveash**, Director of Legislative Affairs
- **Ashley Ball**, Director of Communications
- **Jayne Place**, Chief of Staff
- **Meg Cummins**, Account Specialist, IEA Program
- **Janelle Ferrier**, Administrative Assistant, IEA Program



Stakeholder Engagement & Communications

IEA External Advisory Group Members

Name	Title	Organization
Angela Webster	Public Policy Advisor	Disability Rights Tennessee
Beth Herren	Supervisor, Special Populations Department	Franklin Special School District
Carrie Guiden	Executive Director	The Arc of Tennessee
Chip Fair	Chair	Advisory Council for the Education of Students with Disabilities
Debra Moody	State Representative	Tennessee General Assembly
Dolores Gresham	Chair, Senate Education Committee	Tennessee General Assembly
Dr. Sara Heyburn	Executive Director	State Board of Education

IEA External Advisory Group Members

Name	Title	Organization
Dr. Tammy Grissom	Executive Director	Tennessee School Boards Association
Dr. Therese S. Williams	Superintendent	Catholic Diocese of Nashville
Dr. Wayne Miller	Executive Director	Tennessee Organization of School Superintendents
John Forgety	Chair, House Education Instruction and Programs Committee	Tennessee General Assembly
Karen Harrison	Executive Director	STEP-TN
Kayren Craighead	Special Education Coordinator	Sumner County Schools
Patricia Toarmina	Director, Department of Exceptional Children	Shelby County Schools
Stephen Smith	Deputy Commissioner, Policy and External Affairs	Tennessee Department of Education

Stakeholder Engagement

- **IEA Webpage** on TDOE website:
<http://www.tn.gov/education/section/iea>
 - Includes IEA Program FAQs
 - Email address: iea.questions@tn.gov
 - Website will be built out and more information posted for each specific audience (parents, school districts, providers).
- **IEA Update** will be a newsletter released monthly.
 - Sign-up by emailing iea.questions@tn.gov
- IEA Team will be presenting **information at state conferences** beginning in fall 2015.

Parent Communications

- TDOE is creating a **parent communications plan** and will meet with **external groups** who communicate with parents to hear feedback on the plan and **coordinate and collaborate on parent communications**, where practical.
- TDOE will create the following parent resources and post them on the IEA webpage:
 - **IEA Program Brochure**
 - **IEA Parent Handbook**
 - **Webinars and 1-2 page info sheets**

Parent Info Meetings & Trainings

- TDOE is planning to conduct **IEA parent information sessions**
 - 3-9 regional meetings
 - Provided in June 2016
 - Will be provided every January/ February in 2017 and thereafter
 - Designed for parents interested in enrolling their child in the IEA program.
- TDOE is planning on conducting **regional parent trainings** on how to submit expense reports.
 - 3-9 regional meetings
 - Provided in January/ February 2017
 - Will be provided in summer/ fall beginning in 2017 and every year thereafter

LEA Communications & Trainings

- IEA updates announced through Commissioner Updates for Directors and School Principals and the SPED Director Update.
- There will be an IEA information webpage for school districts.
- TDOE is planning on conducting **IEA trainings** for school district teams.
 - When: Summer 2016 – June & July
 - Where: 6-9 regional trainings
 - Who: School district teams selected by Directors of Schools including: Directors, SPED supervisors, attendance supervisors, accountability supervisors, school leaders, school psychologists, and/ or finance officers.



Proposed IEA Program Rules

IEA Program Rules

- The **State Board of Education** (SBE) is required to **approve rules for the program**.
 - Rules were approved on first reading by the SBE in October 2015.
 - Final read will be in January 2016.
- There will be an SBE **IEA Public Rule Making** Hearing.
 - When: Nov. 12, 2015 at 1:00 p.m.
 - Where: Legislative Plaza, Room 12, Nashville, TN

Key Topics in Proposed Rules

- Clarity regarding **student eligibility**
- **Qualifications and approval process** for participating schools and providers
- **Definitions** for approved IEA expenses
- **Financial safeguards**
- **Appeals procedures**
- **Conflicts of interest**



Student Eligibility

Student Eligibility

- An “eligible student” must be a Tennessee resident who:
 - **has an IEP in effect at the time of request** for participation in the program; and
 - meets **at least one of the following** requirements:
 - was previously enrolled in a TN public school during the two semesters immediately preceding the semester in which the student receives an IEA; or
 - is attending a TN public school for the first time; or
 - received an IEA in the previous year.
- Also, the student must be identified with **any of the following disabilities**:
 - autism;
 - deaf-blindness;
 - hearing impairments;
 - intellectual disability;
 - orthopedic impairments;
 - traumatic brain injury; or
 - visual impairment.

Student Eligibility – Proposed Rule

- Prior two full semesters in enrollment means that the **student was counted in the enrollment figures for the school district in months two, three, six and seven** for purposes of calculating the basic education program (**BEP**).

Student Eligibility – Proposed Rule

Kindergarten students

- Student has not previously attended a public K-12 school, but **is currently eligible to enroll in a kindergarten program** in a public school in TN.
- Students must have an active IEP.
- **Students would have to register with the LEA** in which they reside for purposes of calculating the amount of IEA funding the student would be eligible to receive, **but would not have to attend a public school.**

Student Eligibility – Proposed Rule

Students who are new to Tennessee – recently moved.

- Includes students who:
 - **Have not previously attended a school in Tennessee** (including public and nonpublic schools) during the two semesters immediately preceding the semester in which the student receives an IEA, and
 - Are **eligible to enroll in a public school** in this state.
- Students **must have an IEP** (from their previous state).
- Students **must register with their resident** school district to generate funding, but do not have to attend classes.



Process to Enroll in the IEA Program

Waiving of IDEA Rights

To enroll in the IEA Program, parents must **waive** their child's **rights and services** pursuant to the **Individuals with Disabilities Education Act (IDEA)** at 20 U.S.C. §1414.

Enrollment in the IEA Program – Proposed Rules

Three-step process to enroll a student in the IEA Program:

Step 1: Parents Submit IEA Application to the TDOE by the deadline set by the TDOE.



Step 2: TDOE determines student eligibility and notifies parent.



Step 3: Parents sign IEA Contract with the TDOE.

IEA Parent/ Student Contract

Parent shall sign a contract promising to:

- 1. Provide an education for the participating student** in at least the subjects of reading, grammar, mathematics, social studies, and science.
- 2. Not to enroll** the participating student in a **public school**.
- 3. Release the school district and the school from all obligations to educate the student.**

Parent/ Student Contract – Proposed Rules

- The agreement (contract) shall specify:
 1. the anticipated participating school or participating provider(s),
 2. acceptable uses of IEA funds,
 3. the responsibilities of parents and eligible students,
 4. the duties of the TDOE, *and*
 5. the financial institution to which the IEA funds shall be electronically transferred on a quarterly basis.

Parent/ Student Contract – Proposed Rules

- Parents shall:
 1. **complete** the contract, *and*
 2. **submit** the contract to the TDOE **along with all information and supporting documentation** requested by the TDOE.
- Contract is **due** by the date set by the TDOE.
- Contract must be submitted to the TDOE **before the first quarterly IEA payment is disbursed.**

Term of the IEA

Students shall remain eligible until the participating student meets one of the following, whichever occurs first:

1. Withdraws from the IEA program.
2. Graduates from high school (includes receiving a high school diploma or a passing score on all subtests of the GED or HiSET).
3. Reaches 22 years of age by August 15 for the next school year.

Parents must **renew** the IEA contract every year.



Withdrawal, Transfer, & Removal from the IEA Program

Student Transfer: Proposed Rules

- Upon reasonable notice to the TDOE, the student's parent may **transfer** the student from **one participating nonpublic school to another** participating nonpublic school.
- The participating school shall **refund the tuition and fees** on a **prorated basis** based on the number of days the student was enrolled in the school.
 - The funds shall be returned to the student's IEA account.

Student Return to the LEA: Proposed Rules

- The parent shall **notify the TDOE** of the student's **withdrawal** from the IEA program and return to the LEA by the date set by the TDOE.
 - The TDOE shall close the participating student's IEA.
 - The funds from the IEA account shall be returned to the state treasurer to be placed in the BEP.
- If the **parent or student requests**, in writing, an **evaluation for eligibility** pursuant to the Individuals with Disabilities Education Act, the LEA shall treat the request as a request for an **initial evaluation** under 34 C.F.R. § 300.301.

Removing Students from the IEA Program

Proposed Rule:

- The **TDOE may remove** any parent or qualified student from eligibility for an IEA if the parent or qualified student:
 - fails to comply with the terms of the IEA agreement,
 - fails to comply with the applicable laws, rules or procedures, and/ or
 - misuses monies.
- A parent, or student who has reached the age of majority, **may appeal** the TDOE's decision pursuant to the appeals procedures in the Rules.



Proposed Appeals Rules

Decisions that can be Appealed

Who can appeal and what decisions can be appealed?

- **Participating schools and providers** may appeal the denial, suspension, or termination of the entity's participation in the IEA program.
- A **parent** may appeal:
 - a denial of determination of eligibility,
 - a denial of a preauthorization request,
 - a denial of an expense paid for using IEA funds, and/ or
 - removal of the student from the IEA program

Two Step Appeals Process

- **Step 1:** The **appeal** should be on the form provided by the TDOE and should be submitted to the Commissioner of Education within **10 business days** of the denial, suspension, termination, and/or removal.
 - The appeal shall be reviewed by the Commissioner, or the Commissioner's designee, within **30 calendar days**.
 - The **Commissioner's decision** shall be rendered within **10 business days of the date of the review**.
- **Step 2:** An appeal of the Commissioner's decision in step one shall be **filed with the Commissioner** within **30 calendar days** and shall conform to the UAPA.



IEA Funding & Approved Uses of IEA Funds

IEA Funding

- The amount of funding equals the **average BEP per student funding amount** in the LEA (state/local).
 - Approximately \$6,600 per student, will vary per LEA per year
 - Minus four percent for program administration.
- Parents will receive funding in **four, equal, quarterly payments** deposited into an IEA account.
 - The TDOE will set-up student's IEA accounts and determine the method for distributing funds to those accounts.
- Parents will have to submit **receipts and expense reports each quarter**.
 - The TDOE will determine the process for reviewing the receipts.
 - Proposed rule: receipts must be received before next quarterly payment is disbursed.

General Guidelines for Use of IEA Funds

Proposed Rules:

- Funds roll over, so parents are not required to spend the entire sum each quarter.
- A portion of the funds must be used each quarter for the benefit of the IEA student and **overall spending must equal 90 percent of the annual award** at the close of each contract year.
 - If overall spending does not equal 90 percent at the close of the contract year, **the TDOE will subtract the difference from the quarterly payments in the next contract year.**
- 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 years.**

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 the management of the IEA** by private financial management firms;
- **tuition or fees** at a participating school;
- **textbooks** required by a participating school;
- **tuition or fees** for a **nonpublic online learning program** or course;
- **tuition or fees** at an **eligible postsecondary institution**;
- **textbooks** required for courses at an eligible postsecondary institution;

Approved Uses of IEA Funds

- **fees for transportation** paid to a fee-for-service transportation provider;
- **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, including licensed or accredited paraprofessionals or educational aides;
- **payment for purchase of a curriculum**, including any supplemental materials required by the curriculum;
- **computer hardware or other technological devices** if approved by the TDOE or a physician and are used for student's educational needs;

Approved Uses of IEA Funds

- **services provided under contract** with a public school, including individual classes and extracurricular programs;
- **fees for nationally standardized, norm-referenced achievement tests**, Advanced Placement examinations, or any examinations related to college or university admission;
- **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;

Misuse of IEA Funds: Proposed Rules

- If the TDOE determines that IEA funds have been misspent, the TDOE shall **notify the parent**, and the **parent shall repay the misspent amount** in the manner and within the timeframe set by the TDOE.
- The **TDOE is authorized to freeze** and/or **withdraw funding** directly from the student's IEA account for reasons including, but not limited to:
 - fraud,
 - misuse of funds,
 - parent or student failure to comply with the terms of the state laws, rules, procedures or IEA agreement,
 - if the student returns to the LEA, or
 - if funds were deposited into the account in error.
- A parent may appeal the TDOE's decision pursuant to the appeals procedures in the Rules.

Conflict Of Interest: Proposed Rules

- Use of IEA funds **must be for the sole benefit of the participating student** for which the IEA account is established.
- It is a conflict of interest for a family member of a participating student to: **family member**
 - Derive any **financial benefit** from the IEA program, or
 - Provide a **professional recommendation or approval** for a service.
- Family members of a participating student include a **step parent** or **member of an eligible student's household**.



Participating Schools & Providers

Participating Schools – Proposed Rules

- “Participating school” means a nonpublic school that is a **Category I, II, or III nonpublic school**.
- In order to participate in the IEA program, participating schools **must apply** to, and **be approved** by, the TDOE.
 - Schools must annually apply to **renew** their participation in the IEA program.
- In the **application**, schools must report:
 - The **maximum number** of students in the IEA Program the school has the capacity to enroll,
 - The school’s and student’s **fee schedules**, and
 - Whether the school has an **inclusive educational setting**:
 - 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.

Participating Schools & Providers: Requirements

- **Comply with all health and safety laws or codes** that apply to nonpublic schools and the profession of the participating provider.
- Certify that they **shall not discriminate against students** or applicants on the basis of race, color, or national origin;
- Provide parents with a **receipt** for all qualifying expenses;
- Conduct **criminal background checks** on employees:
 - Exclude from employment any person not permitted by state law to work in a nonpublic school or as a participating provider.
 - Exclude from employment any person who might reasonably pose a threat to the safety of students.

Participating Schools & Providers: Requirements

Proposed Rules: Participating schools and providers shall:

- **Verify each student's continued enrollment** and attendance by following the procedures posted on the TDOE's website.
- Be **academically accountable to the parent** for meeting the educational needs of the student by:
 - Annually provide to the parent a written **report** of the student's academic progress.
 - Administer **state assessment** upon parent request.

Criminal Background Checks: Proposed Rule

- “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 persons working on school grounds when students are present and/or any person providing services to participating students**, must have undergone a fingerprint based criminal history records check.
 - The check must be conducted by the **TBI and forwarded by the TBI to the FBI for processing pursuant to the National Child Protection Act.**
 - All **service providers, employers of service providers, and all participating schools** must maintain documentation that these background checks have been completed.

Participating Schools: Financial Viability

Proposed Rules:

- Participating schools must:
 - **Demonstrate financial viability** to repay any funds that may be owed to the state, and
 - Verify the school has the ability to **pay an aggregate amount equal to the amount of the IEAs expected to be paid during the school year.**
 - The school may comply with this requirement by **filing a surety bond** payable to the state.
- The TDOE **may require** participating schools to submit a **financial audit** of the school conducted by a certified public accountant.

Removal of Participating Schools/ Providers

Proposed Rules:

- **The TDOE may suspend or terminate a participating school or participating provider from participating in the program** if the TDOE determines the school or provider has failed to comply with the requirements of the Act, these rules, and/or the procedures set by the TDOE.
- If the TDOE suspends or terminates a school's or provider's participation, **the TDOE shall notify affected participating students and their parents of the decision.**
- If a participating school or provider is suspended or if a participating school or provider withdraws from the program, **affected participating students remain eligible to participate in the IEA program.**
- A participating school/ participating provider **may appeal** the TDOE's decision pursuant to the appeals procedures in the Rules.



Educational Therapy & Tutoring Services

Educational Therapy or Services

Proposed Definitions in SBE Rules:

- **“Educational therapies”** means an individualized intervention and treatment plan designed to remediate learning problems through a combination of educational and therapeutic approaches.
- **“Participating provider”** means an individual or business that meets the requirements for accreditation or licensure established by the Tennessee Department of Health or TDOE and pursuant to the application and approval process created by the departments of education and health for participating providers.

Approval of Educational Therapy or Services

Proposed Rules:

- If requested by the TDOE, a parent or participating provider shall provide **justification** for how a particular **educational therapy serves an educational purpose**.
- If the TDOE determines that a particular therapy does not serve an educational purpose for the student, the expense will be deemed an **unapproved expenditure**.

Tutoring Services

Proposed Rule:

Tutoring services must be provided by **an individual tutor** that meets the requirements set by the TDOE or a **tutoring organization accredited** by one of the following:

- AdvancED, or any of its accreditation divisions,
- 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).



Other Approved IEA Expenses

Online Learning, Transportation, & Curriculum

- **Online learning programs or courses** must be provided by a Category III nonpublic school.
- **Curriculum** is defined as a complete course of study for a particular content-area or grade level, including any supplemental materials required by the curriculum.
- **“Fee for service transportation provider”** means a commercial transportation provider including a taxi or bus service.
 - It does not include private transportation by a parent or participating student.
 - Transportation fees can only be used for transportation to participating schools and providers (including approved tutors and therapists).

Computer Hardware: Proposed Rules

- Parents must receive **prior approval** from the TDOE or a licensed physician **before purchasing computer hardware** using IEA funds.
 - “Physician” means a person licensed under T.C.A. § Title 63, Chapter 6 or T.C.A. § Title 63, Chapter 9.
- **“Computer hardware”** must be used for the student's educational needs, *and*
 - be 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.
- **“Technological device”** means any item, piece of equipment, or product system, whether acquired commercially off the shelf, modified, or customized, that is used to increase, maintain, or improve the functional capabilities of a child with a disability in the curriculum of a participating school or the program of a participating provider.

Postsecondary Institutions: Proposed Rules

Eligible postsecondary institutions include:

- community colleges
- colleges of applied technology
- universities of the University of Tennessee system or the board of regents system
- private postsecondary institutions accredited by one of the following:
 - AdvancED, or any of its accreditation divisions,
 - 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).

Questions?



Individualized Education Account (IEA) Program