

Funding

DISTRIBUTION OF STATE SPECIAL EDUCATION FUNDS TO LEAs

February 1, 2021

Model operating procedures created by



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and

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Distribution of State Special Education Funds to LEAs

What is Required

The District must use a uniform accounting system adopted by the Commissioner of Education for the data required to be reported in the Public Education Information Management System (“PEIMS”).

Average Daily Attendance

The Commissioner of Education will develop the procedures for counting the Average Daily Attendance (“ADA”) of students receiving special education services in various instructional settings. These procedures shall also be included in the daily register for student attendance accounting.

State special education funds are distributed to LEAs based on the ADA of full-time equivalents (“FTEs”) of eligible students served in accordance with the requirements for student attendance accounting for state funding purposes.

Full-Time Equivalents

Special education attendance is first converted to contact hours by instructional arrangement before being converted to FTEs. Contact hours for any student receiving special education services may not exceed six (6) hours per day—or thirty (30) hours per week—for funding purposes. The total contact hours generated per week are divided by thirty (30) to determine the FTEs.

For funding purposes, the number of contact hours credited per day for each student in the off-home campus instructional arrangement may not exceed the contact hours credited per day for the multidistrict class instructional arrangement in the 1992-1993 school year. Additionally, the contact hours credited per day for the student in the resource room; self-contained, mild and moderate; and self-contained, severe, instructional arrangements may not exceed the average of the statewide contact hours credited per day for those three instructional arrangements in the 1992-1993 school year.

For purposes of the regular education allotment, special education FTEs generated are deducted from the District’s ADA. Funds generated by FTEs in one instructional arrangement may be spent on the overall special education program and are not limited to the instructional arrangement that generated the funds.

Allotment for Special Education

For each FTE student in ADA in a special education program and a mainstream

instructional arrangement:

- The District may receive an annual allotment equal to the basic allotment, or, if applicable, the sum of the basic allotment and the allotment under small and mid-sized district allotment to which the District is entitled, multiplied by 1.15.
- The attendance cannot be converted to contact hours/FTEs as with the other instructional arrangements.

For each FTE student in ADA in a special education program in an instructional arrangement other than a mainstream instructional arrangement:

- The District may receive an annual allotment equal to the basic allotment, or, if applicable, the sum of the basic allotment and the allotment under small and mid-sized district allotment to which the district is entitled, multiplied by a weight determined according to instructional arrangement as follows:
 - Homebound – 5.0;
 - Hospital class – 3.0;
 - Speech therapy – 5.0;
 - Resource room – 3.0;
 - Self-contained, mild and moderate, regular campus – 3.0;
 - Self-contained, severe, regular campus – 3.0;
 - Off-home campus – 2.7;
 - Nonpublic day school – 1.7; and
 - Vocational adjustment class – 2.3.

A special instructional arrangement for students with disabilities residing in care and treatment facilities whose parents or guardians do not reside in the District providing education services must be established by Commissioner rules. The funding weight for those other than state schools will be 4.0 for those students who receive their education service on the District campus, but the funding weight for students with disabilities residing in state schools will be 2.8.

If the District provides an extended school year (“ESY”) program, it may receive funds up to 75 percent of the applicable allotment for each FTE student in ADA, multiplied by the amount designated for the student’s instructional arrangement for each day the program is provided and divided by the number of days in the minimum school year. The District

may use funds received for ESY only in providing an extended year program. However, the District is not eligible for reimbursement of ESY services provided to students for any reason other than the fact that the student exhibited severe or substantial regression that cannot be recouped within a reasonable period of time. See [EXTENDED SCHOOL YEAR SERVICES].

Children from birth through age 2 with a visual impairment or who are deaf or hard of hearing, or both, who are provided services by the District according to an individual family services plan (“IFSP”) are to be enrolled on the home or regional day school campus and are to be considered eligible for ADA on the same basis as other students receiving special education services. Students ages 3-21 on September 1 on the current scholastic year who participate in the regional day school program for the deaf may be counted as part of the District’s ADA if they receive instruction from the District’s basic program for at least 50 percent of the school day.

The Commissioner will withhold an amount specified in the General Appropriations Act and distribute that amount to the District if the District provides education solely to students confined to or educated in hospitals. This program is only required in the District if the program is financed by funds distributed under this section and any other funds available for the program. After deducting the amount withheld under this subsection from the total amount appropriated for special education, the Commissioner will reduce each District’s allotment proportionately and allocate funds accordingly.

A special education fund balance may be carried over to the next fiscal year but must be expended on the special education program in the subsequent year. State special education carryover funds cannot be used for administrative costs.

Allotment for Dyslexia

For each student that the District serves who has been identified as having dyslexia or a related disorder, the District may receive an annual allotment equal to the basic allotment multiplied by 0.1 or a greater amount provided by appropriation. The District may receive the allotment for dyslexia only for a student who:

- Is receiving services for dyslexia or a related disorder in accordance with an IEP or Section 504 plan;
- Is receiving instruction that meets applicable dyslexia program criteria and is provided by a person with specific training in providing that instruction, see [DYSLEXIA SERVICES]; or
- Is allowed, on the basis of having dyslexia or a related disorder, to use modifications in the classroom or accommodations in the administration of assessment instruments.

The District can only receive funding for a student if it satisfies the requirements of this section, as well as requirements related to allotment for special education. See [ALLOTMENT FOR SPECIAL EDUCATION].

Additional Procedures

Texas law requires the District to adopt an attendance accounting system, whether manual or automated, that includes procedures that ensure the accurate taking, recording, and reporting of attendance accounting data. District Personnel must report attendance information to the TEA through PEIMS, and the TEA will then use the attendance data to determine the allocation of state funding to the District.

The Texas Education Data Standards (“TEDS”), which are standards used for the PEIMS data collection, include all the data elements, code tables, business rules, and data validation necessary to load District education data.

Foundation School Program

The primary source of state funding for the District is the Foundation School Program (“FSP”). For the District to claim a student for funding purposes, the District must complete all documentation that proves the eligibility of the student for the FSP and that is required by the TEA. This requires District Administration, District Special Education Personnel, and Campus Personnel to work together to establish and implement systems to assemble and collect the required documentation .

Taking and Recording Student Attendance

The District must ensure attendance is recorded in accordance with the Student Attendance Accounting Handbook. Campus Personnel will create the original documentation of attendance at the time of the attendance. Documentation created after the time of attendance will not be accepted by agency auditors, and the TEA will retain 100 percent of the District’s FSP allotment for such attendance. District Administration will verify that the software or platform used to record attendance meets the requirements for attendance accounting in the Student Attendance Accounting Handbook.

The Superintendent is responsible for the safekeeping of attendance records for the District and may determine the best method for storing such records. These records must be retained for at least five (5) years from the completion of the school year for audit purposes.

[ADD ADDITIONAL DISTRICT PROCEDURES AS APPROPRIATE]

Evidence of Implementation

- PEIMS Data
- Compliance with the Student Attendance Accounting Handbook
- Attendance Documentation
- Policies Related to Recording Attendance
- Policies and Procedures Related to Maintaining Attendance Records
- ARD Committee/IEP Documentation of Student Instructional Arrangement Decisions
- **[DISTRICT FORMS]**

Resources

[The Legal Framework for the Child-Centered Special Education Process: Distribution of State Special Education Funds to LEAs - Region 18](#)

[Student Attendance Accounting Handbook - Texas Education Agency](#)

[Special Education Funding - Texas Education Funding](#)

[19 Texas Administrative Code 129.1025, Student Attendance Accounting Handbook](#)

[19 Texas Administrative Code 129.1, Free Attendance in General](#)

[19 Texas Administrative Code 129.21, Requirements for Student Attendance Accounting for State Funding Purposes](#)

[ADDITIONAL DISTRICT RESOURCES]

CITATIONS

Board Policy CBA and FEB; Texas Education Code 29.014, 48.008(b), 48.101–48.103; Texas Government Code 392.002(b-1); 19 Texas Administrative Code 89.1065(9); 89.1121, 129.21