

Individualized Education Account (IEA) Program

2025-26 IEA Program Handbook

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IEA Program Contact Information:

For questions or additional information about the IEA Program, please [contact a member of the IEA team](#) directly or email IEA.Questions@tn.gov.

Chapter 1: Introduction

The Individualized Education Account (IEA) Program is a school choice program for eligible students in grades K-12 with qualifying disabilities. The IEA Program, administered by the Tennessee Department of Education (department), provides parents, guardians, and qualified students options for choosing the educational opportunities that best meet the individual student's unique learning needs through access to public education funds.

Definitions

In the remainder of this document, these terms will be defined as:

- **“account holder”**: the individual (parent, legal guardian, or student who has reached the age of majority) who submits the IEA application, signs the IEA contract, manages the student's IEA funds, and is responsible for complying with the requirements of the IEA Program.
- **“parent”**: a parent, legal guardian, person who has custody of the child pursuant to an order of a court of competent jurisdiction, or person with educational decision-making authority pursuant to a conservatorship under T.C.A. § 34-3-101 et seq., pursuant to a power of attorney for care of a minor child under T.C.A. § 34-6-301 et seq., or pursuant to a durable power of attorney under T.C.A. § 34-6-101 et seq.
- **“local educational agency” (LEA)**: any county school system, city school system, special school district, unified school system, metropolitan school system or any other local public school system or school district created or authorized by the Tennessee general assembly.
- **“independent home school”**: the student's parent or legal guardian is the teacher of record and is responsible for ensuring all educational requirements are met under the law. See T.C.A. § 49-6-3050(b).
- **“umbrella home school”**: a satellite program offered by some Category IV non-public schools. “Umbrella” or satellite programs allow parents or legal guardians to participate as a teacher in the church-related school, as defined in T.C.A. § 49-50-801, under the supervision of the school's director. See T.C.A. § 49-6-3050(a)(2) - (3).
- **“non-public school”**: a school accredited by, or a member of, an organization or association approved by the state board of education or those that are directly approved by the department.

Funding for the IEA Program is determined in accordance with [Chapter 235 of the Public Acts of 2025](#), Section 20, which amends [T.C.A. § 49-10-1405\(a\)\(1\)](#). For funding calculations, each eligible student who participates in the IEA Program must be counted in the enrollment figures for the local education agency (LEA) in which the student resides and is zoned to attend. The IEA funds will be subtracted from the funds otherwise payable to the LEA.

Purpose of this Handbook

The *IEA Account Holder Handbook* is designed to provide account holders with comprehensive information regarding the IEA Program's policies and implementation procedures. This handbook, along with additional information about the IEA Program, is posted on the department's [IEA webpage](#). Please note that this handbook is subject to changes at any time during the contract year. The IEA team will notify account holders of any change(s) and the effective date(s). All changes will be effective upon publication and will not be retroactive.

The Law, Rules, and Procedures

The *Individualized Education Act*, [T.C.A. § 49-10-1401 et seq.](#), was signed into law by the Governor of Tennessee on May 18, 2015, and the first individualized education accounts (IEAs) were awarded in January 2017. The Tennessee State Board of Education (SBE) has approved rules, SBE [Chapter 0520-01-11](#), and the department has developed implementation procedures for the IEA Program. Links to the IEA Program Law and Rules are posted on the department's [IEA webpage](#).

Note:

A student participating in the IEA Program may not be dually enrolled in the IEA Program *and* the [Educational Savings Account \(ESA\) Program](#). Students may apply for both programs but may only participate in and receive funding from one (1) program. [T.C.A. § 49-6-2603\(j\)](#)

Eligibility Criteria for the IEA Program

A student must meet the following eligibility requirements at [T.C.A. § 49-10-1402\(3\)](#) and [SBE Rule 0520-01-11-.02\(11\)](#) to participate in the IEA Program:

- Student is a resident of Tennessee with an active Individualized Education Program (IEP)¹ with one of the following disabilities listed as the primary or secondary disability in effect and being implemented at the time the department receives the request for participation in the Program. For the purposes of this chapter, the department receives the request for participation in the Program on the date the application window for the IEA program closes. Qualifying disabilities for eligible students include the following: Autism, Deaf-blindness, Developmental delay, Hearing impairment, Intellectual disability, Multiple disabilities, Orthopedic impairment, Specific learning disability, Traumatic brain injury, or Visual impairment; *and*
- Student meets at least **one** of the following requirements:
 - was previously enrolled in and attended a Tennessee public school for the entire school year immediately preceding the school year in which the student receives an IEA;
 - has not previously attended a K-12 school in Tennessee, but is currently eligible to enroll in a kindergarten program in a public school in this state;

¹ "Active IEP" means a written statement for a child with a disability that is developed, reviewed, and revised in accordance with 34 C.F.R. §§ 300.320 through 300.324 that is being implemented on the date the application window for the IEA Program closes. [SBE Rule 0520-01-11-.02\(3\)](#).

- has not previously attended a school in Tennessee for one full school year immediately preceding the school year in which the student receives an IEA, and moved to Tennessee less than one year prior to the date of enrollment in the IEA Program; **or**
- received an IEA in the previous school year.

Term of the IEA

The 2025-26 contractual term of the IEA is projected to begin on July 1, 2025, and end on June 30, 2026. A student is considered enrolled in the IEA Program if a completed *IEA Account Holder Contract* has been received and approved and all requirements for enrollment outlined in that contract have been met. Please see chapter 2 of this handbook for a complete list of account holder responsibilities.

A student who enrolls in the IEA Program will remain eligible for one contractual year unless one of the following occurs for the participating student:

- withdraws from the program;
- returns to a public school;
- moves out of the state of Tennessee;
- graduates from high school (including passing a high school equivalency credential approved by the SBE);
- reaches 22 years of age before Aug. 15 of the next school year (i.e., a student cannot turn 22 years old on or before Aug. 15, 2025, and receive future disbursements from the IEA Program for the 2025-26 school year); **or**
- is removed from the IEA Program by the department.

Note:

If any of the above events occur, the account holder must notify the department by submitting an [IEA Student Withdrawal Form](#) and email to IEA.Questions@tn.gov. The account holder must also notify the LEA in which the student resides. Contact information for LEA liaisons for the IEA Program is posted on the "Resources" page of the [IEA webpage](#).

Students Reaching the Age of Majority

Unless there is a legal determination of transferring educational rights to another individual, all educational rights transfer to the student upon reaching the age of majority (age 18 in Tennessee). This includes the right to determine whether the student will continue to participate in the IEA Program or withdraw from the IEA Program.

Upon the student's reaching the age of majority (age 18), to continue participation in the Program during the current year or to renew an IEA for the following school year, the department must receive documentation indicating one of the following:

1. The student will serve as his or her own account holder; **or**
2. Another individual, such as the student's parent or legal guardian, will serve as the student's account holder. If another individual will serve as the student's account holder, the individual must submit documentation of a valid power of attorney ([POA](#)) or conservatorship [clearly](#) indicating that the following rights have been transferred from the student to the individual:

- The right to make educational decisions regarding placement and participation of the student in the IEA Program; **and**
- The right to make banking and financial decisions and transactions as limited to management, control, and access to the IEA.

The existing IEA will be suspended, current IEA funds can no longer be utilized, and no further IEA payment disbursements can be made until one of the above options is satisfied.

Legacy Students

Students who have participated in the IEA Program and graduated from high school and/or reach twenty-two (22) years of age are considered IEA Legacy Students. IEA Legacy Students are eligible to continue participating in the IEA Program up to four (4) consecutive subsequent years, and use any remaining funds in their account, provided the student attends or takes courses from an eligible post-secondary institution, and the expenditures are determined to be qualifying expenses. IEA Legacy students will not receive any additional funds, and the IEA account will be closed earlier if the student graduates from a post-secondary institution or has expended all available funds in the account.

School Options for Students Enrolled in the IEA Program

A participating student must comply with compulsory attendance pursuant to T.C.A. § 49-6-3001(c) through enrollment in an approved and participating non-public school, home school umbrella program, or independent home school. A student may **not** attend a public school full-time and have an IEA at the same time.

Brief Overview of School Type Requirements

Non-Public Schools

Non-public schools are categories I through V non-public schools that are accredited by, or are members of, an organization or association approved by the state board of education or those that are directly approved by the department. They primarily funded through school tuition paid by families and private donations from individuals and organizations. The non-public school is responsible for the primary education of the student. To receive IEA funds to pay for tuition, fees, and/or required textbooks for a non-public school, the school must be approved by the department and be listed on the IEA Program's participating non-public schools list [here](#). If there is a school you have in mind that is not on this list, [here](#) is a flyer you can share with them to encourage them to participate. The administration can reach out to IEA.Questions@tn.gov with any questions. Applications for participating schools are accepted year-round.

Umbrella home school

Umbrella home school programs are satellite programs offered by some Category IV church-related non-public schools. "Umbrella" or satellite programs allow parents or legal guardians to participate as a teacher in the church-related school, as defined in T.C.A. § 49-50-801, under the supervision of the school's director. To receive IEA funds to pay for tuition, fees, and/or required textbooks for an umbrella home school, the school must be approved by the department and listed on the IEA Program's participating non-public schools list for the IEA contract year.

Independent home school

The student's parent or legal guardian is the teacher of record and is responsible for ensuring all educational requirements are met under the law. More information regarding home schooling in Tennessee can be found [here](#) on the Home School Division's website including a list of district home school coordinators, [Independent Home School Requirements](#), and the [Intent to Home School Form](#). Your local district home school coordinator or Home.school@tn.gov can answer any questions you have specifically related to home schooling requirements.

For more information on school options, review the [School Choice](#) resource link posted on the department's website.

Note: Participating non-public schools are *not* required to admit students enrolled in the IEA Program and are not obligated to provide students with special education services. Students must meet all requirements for admission set by the participating non-public school.

Staying Informed About the IEA Program

The department provides program information and resources for account holders on the department's IEA webpage and through an *IEA Newsletter* sent via email. Please review the newsletter and webpage regularly for essential information about the IEA Program. The IEA team will also host training sessions and virtual "Office Hours" to provide technical assistance to IEA account holders. Information about the dates, times, and how to register or attend will be posted on the department's IEA webpage and announced through the [IEA Newsletter](#). If an account holder is unable to attend a training, recordings of training sessions will be posted on the IEA website.

IEA Program Contact Information:

For questions or additional information about the IEA Program, please [contact a member of the IEA team](#) or email IEA.Questions@tn.gov.

Future of the IEA Program

Account holders should be advised that the IEA Program is transitioning to the [IEA Portal](#) to manage account holder information, pre-approvals, and expenses. Associated IEA forms may shift to a more automated process during this contract year. Details will be provided at that time.

Secure Email

The *Family Educational Rights and Privacy Act of 1974* (FERPA) is the federal law that protects the privacy of student education records. See 34 C.F.R. § 99.1 et seq. The department ensures that student information is kept confidential and secure. To securely send electronic communications to external users, including non-public administrators, IEA account holders, and applicants, the IEA team will send any documents containing

financial information in a secure email. An email sent from the State IEA Program will originate from a tn.gov email address and will list “[secure email]” in the subject line. The body of the email will contain instructions on how to view the contents of the email.

Fraud, Waste, or Abuse Reporting

Citizens and agencies are encouraged to report fraud, waste, or abuse in state and local government.

NOTICE: This agency is a recipient of taxpayer funding. If an agency director or employee is observed engaging in any activity that is considered to be illegal, improper, or wasteful, please call the State Comptroller’s toll-free Hotline: **1-800-232-5454**. Tennessee citizens may also report suspected fraud related to the IEA Program to the department online using the [IEA Online Fraud Reporting Form](#).

Chapter 2: Account Holder Rights and Responsibilities

Parent and Student Rights Retained and Waived in the IEA Program

For a complete list of account holder and student rights, please see the [Frequently Asked Questions \(FAQs\) - Serving Students with Disabilities](#) document. This addresses questions regarding triennial evaluations and special education eligibility options for students participating in the IEA Program.

Account Holder Responsibilities

By signing the *IEA Account Holder Contract*, account holders commit to the following obligations:

- *Accept full legal responsibility for directing the education of the student, including obtaining services necessary to educate the student:*
 - maintain the IEA on behalf of and for the benefit of the eligible student;
 - enroll the participating student in a non-public or home school that meets the compulsory school attendance requirements in state law ([T.C.A. § 49-6-3001\(c\)](#)); **and**
 - provide an education for the participating student in at least the subjects of English language arts (ELA), mathematics, social studies, and science.
- *Research, review, and contract with participating non-public schools, approved therapists, and approved tutors, as needed.*
 - The department does not endorse any school, therapist, tutor, or provider. Account holders are strongly encouraged to thoroughly research the quality and cost of schools, therapists, and tutors with which they contract to provide educational services to the student.
 - The account holder is responsible for any contract signed with a school, individual, and/or provider and must ensure that the terms of the contract are fulfilled. The department cannot void a private contract, give legal advice, or arrange payment schedules.
 - Account holders must receive pre-approval from the department for educational therapy and tutoring services each contract year before the services are provided and/or paid (see chapter 6 of this handbook).
 - The account holder is responsible for the repayment of all ineligible expenses and any eligible expenses spent over the amount of the IEA (see chapter 4 of this handbook).
- *Submit quarterly expenses and receipts to the department.*
 - Account holders are solely responsible for using IEA funds in accordance with the laws, rules, and procedures of the IEA Program.
 - [SBE Rule 0520-01-11-.06\(3\)](#) provides that “the Account Holder shall submit expense reports and receipts for all IEA funds expended in accordance with procedures set by the Department,” list each expenditure, and each expense must include a detailed receipt. Each quarter, account holders must submit to the department expenses and receipts showing a record of all expenses paid using IEA funds in that quarter, by the dates set by the department. The receipts and

expenses must match the IEA debit card account statements (see chapter 7).

Note: Any deadline or listed date falling on a weekend or state holiday will be extended to the next business day.

- *Comply with all the state laws, rules, and procedures for the IEA Program.*
 - By the established deadline, provide written notice to the LEA in which the student resides that the student is participating in the IEA Program, and provide verification of such notification to the department. The LEA may require the student to be registered with their district for state coding purposes.
 - Complete and return a properly executed W-9 form. This has no bearing on tax liabilities but is needed to establish payments for your student's IEA.
 - As required by state law, [T.C.A. § 49-10-1403 \(e\)](#), if a student is in grades 3–8, as documented in the local public school system's records, the account holder must submit verification to the department indicating that the student has taken **either** a nationally norm-referenced test(s) approved by the department **or** the Tennessee Comprehensive Assessment Program (TCAP) tests, or any future replacements of the TCAP tests, in at least the subjects of mathematics and English language arts (ELA). Please see chapter 3 of this handbook for details, including exemption status, if relevant.
 - Any family choosing independent home school under an IEA is still subject to all other [home school requirements](#) separate from the IEA Program, including completion of the LEA's Intent to Home School Form.
 - Account holders are not required to spend the entire IEA sum each contract year; however, at least fifty percent (50%) of the amount of annual funding disbursed into the IEA account must be spent on approved expenses by the deadline for submission of the last expense report of each contract year. If overall spending does not equal or exceed 50% of the total annual award by the deadline for the final expense submission, and if the IEA is renewed for the following year, the department will subtract the differing amount from the first IEA disbursement (and further disbursements, if needed) in the following contract year. [SBE Rule 0520-01-11-.04\(6\)](#). See chapter 4 of this handbook for details.
 - The relevant laws, rules, and procedures that account holders must follow are explained in this handbook. Links to the IEA Program law and SBE Rule are also posted on the department's [IEA webpage](#).

If an IEA account holder fails to comply with these requirements, the student is subject to removal from the IEA Program. Students who are removed from the IEA Program may not be allowed to reapply to the program. Account holders may appeal removal from the IEA Program by following the appeal procedures in chapter 2.

Note:

Failure to comply with any state law, rule, procedure, or contractual obligation may result in the student's IEA being suspended or the student being permanently removed from the IEA program.

Common issues that result in suspension or termination of the IEA include:

- failure to appropriately spend IEA funds;
- failure to submit quarterly expenses , with receipts, by the deadlines set by the department;
- for students in grades 3-8, failure to submit the Assessment Verification Form and Score Report by the deadline set by the department; **and**
- failure to notify the department within seven (7) calendar days if any of the account holder's or student's information changes (e.g., physical address, email address, phone number, change in school or grade level, name change, return to public school, or graduation from high school).

Enrolling a student full-time in a public school (LEA) or virtual public school will result in termination from the IEA Program and a determination of misspent IEA funds that will require repayment for any IEA funds that were spent after the date of public school (re)enrollment.

Updating Account Holder and/or Student Information

Account holders must regularly verify/update contact information on file to ensure regular and timely communications from the department. This includes, but is not limited to, the following changes:

- legal name
- email address
- physical address
- phone number
- school type (e.g., independent home school, non-public school)
- LEA of residence
- change in legal status (i.e., conservatorship, Power of Attorney (POA), or custody documentation)

Account holders must report any of these changes to the department by submitting the [Account Holder and Student Information Update Form](#). Access to all forms is available on the [IEA webpage](#). Account holders are advised that the IEA Program is transitioning to the IEA Portal and required IEA forms may shift to a more automated process during this contract year. However, please note that failure to timely report changes to the department will result in a delay of the next, and possibly future, IEA funding disbursements.

Address changes:

Until notified of any updates due to the transition to the IEA Portal, the account holder must submit the [Account Holder and Student Information Update Form](#) along with the following documentation:

- proof of residency showing the account holder's name and physical address (e.g., a copy of the most recent utility bill, current rental agreement, current property tax bill, affidavit from a landlord, or most recent mortgage statement). Each eligible student who participates in the IEA Program must be counted in the enrollment figures for the LEA in which the student resides and is zoned to attend. If a student enrolled in the IEA Program moves from one LEA to another, the account holder must provide written notification to the department, the IEA liaison of the LEA that the student has moved

from, and the IEA liaison of the LEA the student has moved to, within seven (7) calendar days from the date the student's residence changed. The current list of LEA liaisons can be found under the "Resources" section of the [IEA webpage](#) for parents and students. An account holder's failure to timely report a change in LEA residence will result in a delay of the next, and possibly future, IEA funding disbursements. An updated W-9 will also be required.

Name changes:

Until notified of any updates due to the transition to the IEA Portal, if the account holder or student's legal name changes, the account holder must submit the [Account Holder and Student Information Update Form](#) along with the following documentation:

- proof of legal name change (e.g., court order, marriage license, current driver's license); **and**
- a [W-9 form](#) listing the account holder's name and physical address.

School transfer:

If a student enrolled in the IEA Program transfers to or from a participating school in the IEA Program, the account holder must notify the department within seven (7) calendar days from the date the student was withdrawn from/enrolled in the participating school by completing and submitting the [Account Holder & Student Information Update Form](#) and providing the supporting documentation requested on the form. Account holders must include whether or not the school the student withdrew from will be issuing a refund for any tuition/fees that were prepaid using IEA funds, if applicable.

Account holders must also notify the IEA liaison of the LEA in which the student resides if the student transfers from an independent home school to a non-public school or from a non-public school to an independent home school.

Required Notice of Student Custody Change

An account holder must be a parent as defined by the State Board of Education [Rule 0520-01-11-.02\(18\)](#), which defines a "parent" as the parent, legal guardian, person who has custody of the child, or person with caregiving authority for the child. If the account holder no longer qualifies as a parent as defined in Rule, the account holder must contact the IEA Program within seven (7) calendar days. Upon approval, the new account holder will be required to create an account within the IEA Portal, provide legal documentation, and complete a new IEA contract.

Note:

Account holders will be notified when processes change due to the transition to the online portal.

Late Reports and Non-Submittal of Required Documents

Account holders must submit all required documentation and reports by the deadlines set by the department including, but not limited to:

- all application forms and supporting documentation;
- contract forms and supporting documentation;

- school type and enrollment information;
- expenses and receipts;
- [Student Assessment Verification Form](#) (including score report **or** proof of exemption), if applicable;
- student/account holder information updates, if applicable; **and**
- notice of school transfer, if applicable.

If an account holder does not submit the required documentation and reports by the established deadlines, the department may suspend the IEA, and/or remove the student from the IEA Program following the procedures in chapter 8 of this handbook. Funding may also be delayed as updates are made to the account.

Please note, if a scheduled date falls on a weekend or state holiday, the date will be adjusted to the following business day.

Suspending or Closing of an IEA

In accordance with the [IEA Act](#) and [SBE Rules](#) for the IEA Program, the department will enforce all account holder requirements and responsibilities outlined in this handbook. The department has the authority to suspend access to IEA funds, withdraw existing funds from the account, and/or close the account for reasons including, but not limited to:

- fraud;
- misuse of funds;
- failure to submit complete forms by deadlines;
- failure to comply with the terms of the state laws, rules, department procedures, or the *IEA Account Holder Contract*;
- student returning full-time to a public school;
- student exiting the IEA Program; **or**
- funds being deposited into the account in error (see chapter 8).

Note: Expenditures of any IEA funds after a department determination of misuse will categorically result in the immediate termination of the *IEA Account Holder Contract*, and the student's immediate and permanent removal from the IEA Program.

Account Holder & Applicant Appeal Procedures: Request for Reconsideration

In accordance with [SBE Rule 0520-01-11-.10](#), an account holder may appeal the following determinations by the department:

- An applicant may appeal the department's determination that the student is not eligible for the IEA program;
- An Account Holder may appeal the department's determination that the Account Holder has misspent IEA funds; **and/or**
- An Account Holder may appeal removal of the student from the IEA Program.

To appeal a department decision, the account holder must complete the following:

- **Step 1:** Step One appeals shall be reviewed by the Commissioner or Commissioner's designee. Step One appeals must be submitted to the department within fourteen (14) calendar days of the department electronically sending the determination that is being appealed. The day that the department sends the

determination shall not count as part of the fourteen (14) calendar days. To file a Step One appeal, complete the [Step One Appeal Form](#) posted on the [IEA webpage](#), and email the completed form to IEA.Questions@tn.gov. Appeal forms submitted after the deadline and incomplete appeal forms will not be reviewed. The department shall make a determination and issue an electronic notification to the appealing party within forty-five (45) calendar days of receiving the Step One appeal.

- **Step 2:** If the department denies the Step One appeal, the appealing party may file a Step Two appeal. Step Two appeals shall be reviewed by an administrative law judge in accordance with procedures set forth in the *Uniform Administrative Procedures Act*, T.C.A. §§ 4-5-301 et seq. Step Two appeals must be submitted to the department within thirty (30) calendar days of the department electronically sending the Step One determination. The day that the department sends the Step One determination shall not count as part of the thirty (30) calendar days. To file a UAPA appeal, please complete the [UAPA Appeal Form](#) posted on the [IEA webpage](#). After the UAPA appeal form has been submitted to the department, the account holder will be notified by an administrative law judge who will set the date and time of the hearing.

IEA Renewal

To renew an IEA for the following contract year, the account holder must complete the following:

- Indicate by department-provided method that the account holder wishes to renew the student's IEA. Submit all supporting documentation, by the given deadline(s), and receive approval;
- Read the *IEA Account Holder Handbook* for the new contract year (the handbook will be posted on the IEA webpage);
- Until the process changes due to the transition to the IEA Portal, submit the required *Student Assessment Verification Form* and all required documentation by the given deadline (if student is in grades 3-8);
- Submit a signed *IEA Account Holder Contract* for the new contractual year, including required forms (i.e., *IEA Account Holder Assurances* and *FERPA Release of Information Form*) to the department by the required deadline; **and**
- By the established deadline, provide written notice to the LEA in which the student resides that the student is renewing the IEA.

Chapter 3: Student Assessment and Reporting

Tennessee state law, [T.C.A. § 49-10-1403\(e\)](#), requires that all IEA Program students in grades 3–8 annually take **either**:

- a nationally norm-referenced assessment(s) identified by the department in at least the subjects of mathematics and English language arts (ELA), **or**
- the Tennessee Comprehensive Assessment Program (TCAP) tests, or any future replacements of the TCAP tests, in at least the subjects of mathematics and English language arts (ELA).

Please note, grade levels for students participating in the IEA Program are in accordance with department records, *not* individual instructional levels or non-public school placements. As each student in the IEA Program is required to be registered with the LEA in which they reside, the student's grade level will be listed in accordance with such records.

Definition:

Norm-referenced refers to [standardized tests](#) that compare students' test results to other students who take the same test, and who usually are in the same grade. Test results are reported as percentages or percentile rankings that are expected to follow a bell curve.

State law also requires that students enrolled in independent home school take the same state board approved secure standardized tests required of public-school students (TCAP) in grades five (5), seven (7) and nine (9). Students enrolled in a church-related umbrella school are subject to the requirements established by that school for home school students. [See Tenn. Code Ann. § 49-6-3050.] More information may be obtained by visiting the Department's webpage for Home School or from the student's LEA.

Assessment Accommodations & Exemptions

Accommodations listed in the student's IEP are not available as the IEP is inactive, but Universal Design for Learning (UDL) guidelines are available to all students. See [Universal Test Conditions](#) (Section 2) and Accessibility Features (Section 3) of the Comprehensive Accessibility & Accommodations Manual.

Students with disabilities who would have participated in the TCAP alternate assessment, as determined on the student's most recently implemented IEP, are exempt from the IEA assessment requirement. Decisions regarding a student's participation in the TCAP Alternate Assessment are made solely by the student's IEP team, and no alternate nor abbreviated testing determinations may be made outside of an IEP meeting. The IEA Program cannot make any decisions regarding a student's participation in the TCAP Alternate Assessment. Only those students for whom the most recently implemented IEP indicates that the student would participate in the Tennessee Alternate Assessment, as shown in the examples below, are exempt from this assessment requirement. A student's IEP may look like one of the following examples if designated for the TCAP Alternate Assessment.

Example A:

Statewide Assessments	
Will the student be taking the general education assessment?	No

Example B:

State/District Mandated Tests	
<input type="checkbox"/> Student will participate in the following state/district mandated assessment(s):	
<input type="checkbox"/> Achievement	<input type="checkbox"/> EOC
<input type="checkbox"/> WIDA Access	<input type="checkbox"/> WIDA Access (Alternate)
<input type="checkbox"/> ACT	<input type="checkbox"/> EXPLORE
	<input checked="" type="checkbox"/> Tennessee Alternate Assessment
	<input type="checkbox"/> PLAN
District Assessment:	
<input type="checkbox"/> No Accommodations	<input type="checkbox"/> Accommodations

Please note: Students who take the TCAP assessment must take the regular TCAP assessment (not the TCAP-Alt/portfolio assessment) and will not be entitled to testing accommodations under the *Individuals with Disabilities Education Act* (IDEA). The department will not publicly release individual student data.

If the student is participating in the TCAP assessment, IEA account holders should contact either the school district or the non-public school, whichever will be administering the assessment, and register by **Dec. 15** of the participating school year. Account holders may use IEA funds to pay for test fees, including the cost to administer the test, following the guidelines in chapter 5.

Note:

All account holders of students who are in grades 3-8, even those students who have proof of exemption, are required to annually submit a [Student Assessment Verification Form](#) to the department within the [deadlines](#) established by the department. Account holders will be notified if the process changes due to the transition to the online portal.

Account holders are encouraged to make assessment decisions early in the school year to ensure that:

- the school of choice or LEA is able to administer the test, **and**
- account holders are able to submit the score report to the department by established [deadlines](#).

List of Identified Norm-referenced Tests

Norm-referenced assessments can be ordered directly from the testing company or scheduled at a testing facility. Remember to arrange for student assessments early in the school year as tests must be ordered in advance and spots fill up quickly. Students may participate in any of the following norm-referenced achievement tests identified by the department to fulfill the assessment requirement. IEA funds may be used to pay for the assessment.

- California Achievement Test (CAT)*
- Comprehensive Testing Program (CTP) V - Educational Records Bureau (ERB)
- Iowa Test of Basic Skills (ITBS)/Iowa Assessment
- MAP Growth Test*
- Metropolitan Achievement Test (MAT)

- Scantron Performance Series
- Stanford Achievement Test (SAT 10)*
- TerraNova
- Tests of Academic Proficiency (TAP)
- Wechsler Individual Achievement Test, Third or Fourth Edition
- Woodcock Tests of Achievement, Fourth Edition (WJ-IV) Test

**Online option for home administration*

Upon written request, the department will review any request to include an additional norm-referenced assessment and will notify the account holder of the status of the request within 30 calendar days. Account holders are encouraged to submit requests to IEA.Questions@tn.gov as early as possible in the school year to ensure that the department has time to review the test, and the account holder has time to administer the test before the deadline. Before submitting a request, account holders should review the definition of a norm-referenced assessment.

Required Assessment Verification

Account holders must submit verification each contract year that students in grades 3–8 have completed one of the approved assessments **or** must submit a copy of the student’s IEP page indicating exemption.

Reminder: Grade levels for students participating in the IEA Program are in accordance with department records, *not* individual instructional levels or non-public school placements. As each student in the IEA Program is required to be registered with the LEA in which they reside, the student’s grade level will be listed in accordance with such records. This is used to determine which students must participate in the assessment requirement and which grade-level assessment they must receive.

Unless the process changes due to the transition to the IEA Portal, for all students in grades 3-8, account holders must complete and submit to the department a [Student Assessment Verification Form](#) by the deadline posted on the IEA webpage (**Key Dates** document). Along with the [Student Assessment Verification Form](#), if the student takes a norm-referenced assessment instead of the TCAP, the account holder must submit a copy of the student’s assessment score report. that includes all of the following:

- name of the student;
- name of the norm-referenced assessment;
- date the assessment was administered;
- location where the assessment was administered (e.g., name of the school or testing center); **and**
- students demonstrated progress on the assessment (e.g., the test score) in the department recorded grade level.

Note:

An extension to the annual IEA student assessment requirement deadline for students in grades 3-8 **may be available** if the approved norm-referenced assessment is administered by a non-public school and the account holder submits a signed statement from the non-public school on school letterhead listing:

- the students' names who participated,
- the norm-referenced assessment(s) administered,
- the dates the assessment(s) was/were administered,
- the dates the score reports are expected, **and**
- an assurance that score reports will be provided to the account holders for submission to the IEA Program by an identified date.

This signed statement must be submitted to the IEA Program **before** the annual deadline. A student's renewal application will remain pending until a student's *Assessment Verification Form* has been received and verified.

Chapter 4: Access to IEA Funds

Account holders will receive access to their student's IEA funds via a debit card account. The IEA funds are administered by the department through a state contract with Conduent, State & Local Solutions, Inc.

- **The IEA Program is direct payment only. The IEA Program will not reimburse account holders for any personal funds spent.**
- IEA funds may only be used for approved educational expenses that meet the criteria in this handbook.
- All IEA fund expenditures must be reported to the department within established deadlines, and all expenses and receipts submitted must match the quarter that the services are provided. See chapter 7 for detailed information on completing expenses within the IEA Portal.
- Use of IEA funds must be for the sole benefit of the participating student for which the IEA account is established. Any services, resources, and/or equipment purchased using IEA funds must only be used by the participating student whose IEA paid for said services, resources, and/or equipment.

IEA (Way2Go) Debit Card

To participate in the IEA Program, account holders must give permission to the issuer of the debit card (Conduent) to share with the department all information regarding any transactions made with the card. This completed and signed permission form must be received by the department by the deadline set by the department and before the IEA debit card is issued to account holders. Debit cards are issued regardless of ABLE TN participation (see chapter 5).

Resource:

Debit Card Customer Service: For card balance, transaction history, and more, use the Way2Go Card mobile app, [GoProgram.com](https://www.go-program.com), or call **1-855-462-5889** (accessible 24 hours a day).

Note:

Only the account holder is authorized to use the IEA debit card. If anyone other than the account holder uses the card, it is a violation of the *IEA Account Holder Contract*, and any expenses on the debit card that are used by anyone other than the account holder will be considered misspent and a fraudulent use of funds.

Receiving the IEA Debit Card

New account holders will receive an assigned IEA debit card for their eligible IEA student after the signed contract date listed on the *IEA Account Holder Contract*. No funds will be available on this card until after the first disbursement is processed.

The IEA debit card will be mailed to the account holder's mailing address on file with the department, as submitted on the *IEA Student Application*. If the account holder's address, phone number, or email address has changed after submitting the *IEA Student Application*, the account holder must submit an [Account Holder and Student Information Update Form](#) to the department *and* must notify the IEA Team at

IEA.Questions@tn.gov to receive the IEA debit card. See chapter 2 of this handbook for more information on updating contact information.

Activating the IEA Debit Card

Upon receipt of the IEA debit card, the account holder must follow the instructions included with the debit card to activate the card. Cards may be activated when received before any IEA funds are disbursed. **Any issues or assistance needed with activating the card should be directed to Conduent.** There are currently no Conduent or department fees associated with the use of an IEA debit card; however, merchants and/or organizations may charge a fee to process transactions using the IEA debit card.

Account Holders with Multiple Students

Account holders with multiple students participating in the IEA Program will receive an individual debit card for each participating student. If an account holder has multiple students enrolled in the IEA Program, the account holder will need to contact the department at IEA.Question@tn.gov upon receipt of the debit cards **prior to activation.**

The funds on the debit card may only be used for the participating student for whom the card number is assigned. If funds from one student's IEA debit card are used to pay for another student's educational expenses, those funds will be considered misspent.

To prevent misuse of funds, account holders are encouraged to put a small sticker on the debit card to identify that the debit card is for the IEA Program only and, in cases in which the account holder has multiple students enrolled in the IEA Program, to distinguish which card is assigned to each student.

IEA Debit Card Restrictions

IEA debit cards have certain restrictions to ensure that IEA funds are spent in accordance with state law including:

- No cash withdrawals, cash advances, or cashier's checks may be issued with the IEA debit card. **Any attempted cash withdrawal will result in an immediate suspension of the IEA account and is grounds for removal of the student from the IEA Program.**
- Debit cards may only be used to make purchases from merchants who provide services or sell products that are IEA-approved educational expenses (see chapter 5). IEA debit cards have restricted Merchant Category Codes (MCCs). MCCs are four-digit numbers assigned to a business by credit card companies when a business is set up to accept credit cards as a form of payment.

IEA Debit Card Refunds

Account holders may not accept any payment, refund, or rebate of IEA funds from a provider of any goods or services for the IEA Program. Account holders must report refunds of prepaid tuition, fees, items, and/or services to the department **within fifteen (15) calendar days** of the date of the return.

All refunds from a participating school/provider must be sent directly to the department for credit to the student's IEA account. Refunds must be received by the department **within fifteen (15) calendar days** of

the service being canceled, the item being returned, or the student's withdrawal from the school.

Preferably, all refunds should be placed back on the IEA debit card by the vendor. If the provider is unable to refund the funds directly back to the IEA debit card, the provider must mail the department a certified check or money order matching the amount of the refund.

Checks or money orders should be made payable to: *Treasurer, State of Tennessee*. With the check or money order, the provider must include a letter with the student's name, account holder's name, and the reason the funds are being returned to the state.

Mail the check and letter to:

Tennessee Department of Education
Attn: Finance and Administration/Education Central Accounting
Andrew Johnson Tower, 10th floor
710 James Robertson Parkway
Nashville, TN 37243

Receipt of IEA Funding Disbursements

IEA funding is disbursed, via the IEA debit card, in quarterly payments throughout the IEA contract year. The projected dates for the 2025-26 IEA funding disbursements are listed below, in chapter 7 of this handbook, and are also posted on the ([Key Dates](#) document).

Quarter	IEA Funds Disbursement (projected dates)
1	Sept. 15
2	Nov. 15
3	Feb. 15
4	May 15

IEA expense submissions are due on Oct. 1, Jan. 1, April 1, and June 30 each year. **IEA account holders who submit expenses more than seven (7) calendar days late may be required to wait until the next disbursement date for payment. After ten (10) calendar days, any expenses not submitted in the IEA Portal will be considered misspent.** If the department determines that IEA funds are misspent due to failure to timely submit quarterly expenses and/or other misuse of IEA funds, future IEA disbursements will be reduced by the amount of the misspent funds and the IEA account may be suspended. Any questions may be directed to IEA.Questions@tn.gov.

IEA Funds – Annual 50% Spending Requirement

Account holders are not required to spend all the IEA money received each contract year; however, an account holder must spend at least fifty percent (50%) of the total amount of funding received annually. Fifty percent (50%) of the total annual IEA award must be spent on approved expenses, which include ABLE TN and Coverdell contributions, by the deadline for submission of the last expenses of each contract year, [SBE Rule 0520-01-11-.04\(6\)](#). Any misspent funds will not count toward the 50% spending requirement. Purchases

must be posted to the IEA debit card before the end of the IEA contract year to be considered spent during the contract year. Please note that purchases made within the last week of the IEA contract year may not post before the deadline, and pending purchases cannot be considered when determining if the 50% spending requirement is met. The date of the final expenses can be found on the [Key Dates](#) document. All requests to contribute to an ABLE TN or Coverdell account can be submitted to the department up until the last day of the month directly preceding a disbursement (see chapter 5 for more information). **Please note, if a scheduled date falls on a weekend or state holiday, the date will be adjusted to the following business day.**

Example: If the total amount of the IEA award for the school year is \$8,000, with four (4) disbursements of \$2,000 each quarter, the account holder must have spent at least \$4,000 (50% of total) on approved IEA expenses by the submission deadline for the final expense of the contractual year.

If overall spending does not equal or exceed 50% of the total annual award by the deadline for the final expense submission, and if the IEA is renewed for the following year, the department will subtract the differing amount from the first IEA disbursement (and further disbursements, if needed) in the following contract year. This does not meet the criteria for misspent funds and cannot be appealed.

Example: Following the example above, if the account holder spends \$3,900 of the total IEA award amount of \$8,000 for the school year, this amount is not equal to or greater than 50% (\$4,000); therefore, the department would subtract \$100 from the first IEA payment for the next contractual school year in order to meet the 50% statutory requirement.

Any IEA funds (of the 50% allowable carry-over) that are not spent during the school year will remain in the student's IEA debit card account, and account holders may use those funds on qualified expenses in subsequent school years as long as the student remains in the IEA Program.

Misspent IEA Funds

To ensure the integrity of the IEA Program, the department will closely monitor the use of all IEA funds to confirm the funds are only spent on approved expenditures (which includes receiving pre-approval **before** using the IEA funds to pay for services/items, if applicable, as explained in chapters 5 and 6).

The department has a zero-tolerance policy for misuse of IEA funding and will take the following actions if a determination has been made that an account holder has misspent IEA funds:

- The department will notify the account holder, via email, that a determination has been made that IEA funds were misspent. The notice will include the amount of funds that have been determined as misspent, along with appeal information.
- If the account holder believes the funds were properly spent, the account holder will have 14 calendar days from the date of receipt of the notice of misspent funds to submit an appeal following the procedures outlined in chapter 2 of this handbook.

- The department reserves the right to withhold the amount of any determined misspent funds from the student's next IEA disbursement. If the student is not participating in the IEA Program as of the date of the next disbursement, the account holder must repay the funds directly to the state following the repayment procedures outlined below. Pursuant to the *IEA Account Holder Contract*, any repayments of misspent IEA funds that are not received by the department in a timely manner may be referred to the Tennessee Attorney General's Office for recoupment.
- The IEA account may be suspended until all the misspent funds are repaid, and/or the student may be removed permanently from the IEA Program.

The next IEA payment will not be disbursed into the account until the misspent funds are repaid in full. Repaying misspent funds will not remove the misspent funds status from record. Once funds are misspent (including failure to report expenses within department deadlines), the student's IEA record will reflect that funds were misused. **If an account holder is determined to have misspent IEA funds more than twice in a contract year, the student may be removed from the IEA Program.**

If the account holder inadvertently uses IEA funds to pay for non-approved expenses, the account holder should notify the department by emailing IEA.Questions@tn.gov and should also self-report this as a "disallowed expense" within the IEA Portal for that reporting period.

The department may refer cases of substantial misuse of monies to the Tennessee Attorney General's Office and/or the State Comptroller's Office for investigation if the department obtains evidence of fraudulent use of IEA funds.

Repayment of Misspent Funds

If the student has exited or been removed from the IEA Program and the department sends a notice that the account holder must repay misspent funds, the account holder must mail the department a certified check or money order matching the amount of the misspent funds determination. **Checks or money orders should be made payable to: *Treasurer, State of Tennessee*.** With the check or money order, the account holder must include a letter with:

- the student's name,
- the account holder's name, **and**
- the reason the funds are being returned to the state.

Mail the check and letter to:

Tennessee Department of Education
 Attn: Finance and Administration/Education Central Accounting
 Andrew Johnson Tower, 10th floor
 710 James Robertson Parkway
 Nashville, TN 37243

IEA Suspension

If the department makes a determination of misspent funds and suspends the account, the account holder may appeal this determination through the appeal process outlined in chapter 2 of this handbook. If the account holder's appeal is approved **and if the account holder has resolved the infraction(s), as**

determined by the department, the IEA suspension will be lifted. However, to reinstate a suspended account, the account holder may be required to contact Conduent directly to request that a new debit card be issued. This process could take up to three weeks and may result in a delay of the next IEA funds disbursement.

Note:

- In accordance with the state rules and procedures for the IEA Program, the department has the authority to suspend funds in the debit card account, withhold funds from future disbursements, and/or close the account and permanently remove any participating student from eligibility for an IEA if the account holder fails to comply with the terms of the IEA agreement or applicable laws, rules or procedures, or misuses IEA funds.
- The account holder may appeal the department’s decision regarding misspent funds following the appeal procedures outlined in chapter 2 of this handbook.

Chapter 5: Approved Use of IEA Funds

The Individualized Education Act lists fifteen (15) expense categories for the approved use of IEA funds. All expenses must be for the sole educational benefit of the student enrolled in the IEA Program. The purchase date and/or date of service must be during the *IEA Account Holder Contract* period (July 1–June 30) for the 2025-26 participating year. The IEA Program is direct payment only; **the IEA Program will not reimburse account holders for any personal funds spent under any circumstances.** The following table includes a description of approved IEA Program expenses. Account holders should be advised that the IEA Program is transitioning to the IEA Portal to manage account information, expenses, and pre-approvals. Associated forms may shift to a more automated process during this contract year.

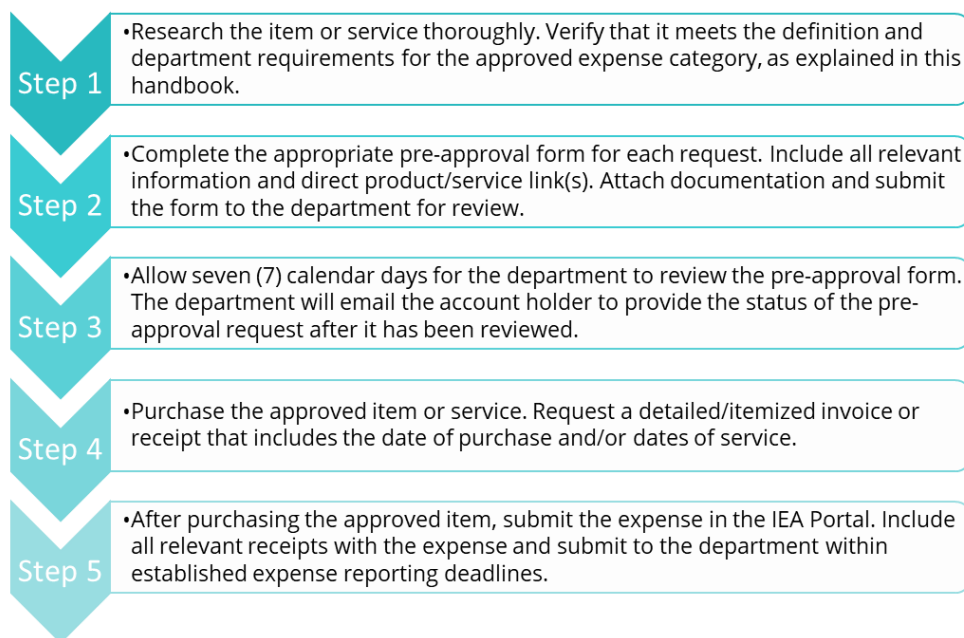
Approved Expense Category	Expense Qualifications	Requires Pre-Approval or Affidavit
Tuition/Fees at a Participating Non-public School	The non-public school must be listed on the department’s approved list of IEA participating schools for the participating school year under “Resources” on the IEA webpage . Not all fees are an approved use of funds; see the section below for a list of allowed fees.	No
Tutoring Services	Tutoring services are supplementary instruction in an academic subject area provided to support/enhance the primary instruction that a student receives in a lesson, course, and/or class. Tutoring services are not the primary instruction; lessons and classes do not count as tutoring services. All services must be provided by an accredited individual or organization which meets the qualifications outlined in chapter 6 of this handbook. Tutoring services must be provided in the approved subject areas listed in chapter 6.	Yes (Form)
Educational Therapies	“Educational therapies” are defined as individualized services designed to develop or improve academic performance through instructional and therapeutic techniques. The therapy must be for the <i>educational benefit</i> of the participating student and provided by a therapist who meets the licensure requirements listed in chapter 6 of this handbook.	Yes (Form)
Curriculum	“Curriculum” is defined as instructional educational materials for a particular content area or grade level, including any supplemental materials required by the curriculum. Account holders are not required to submit curricula for pre-approval.	No

Approved Expense Category	Expense Qualifications	Requires Pre-Approval or Affidavit
Computer Hardware or Technological Devices	IEA funds may be used to purchase computer hardware or technological devices pre-approved by the department or a licensed treating physician <u>if the computer hardware is used for the student's educational needs and is 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.</u> IEA funds may <i>not</i> be used to purchase software. Note: If the software is part of an approved expense (i.e., a bundled package), it may be allowable if it is not an additional incurred expense.	Yes (Form)
Test Fees	Test fees include nationally standardized norm-referenced achievement tests, Advanced Placement tests, or any examinations related to post-secondary college or university admission.	No
Required Textbooks	If a participating school requires account holders to purchase textbooks for the student from a retail source, account holders must submit documentation with the expense. Post-secondary institutions may require students to purchase textbooks as part of their normal educational expenses. Account holders must submit documentation with the expense.	No
Tuition/Fees for Online Learning Programs/ Courses	These fees cover individual courses provided by a virtual education program or other online learning programs that has an instructor teaching the course or program. IEA funds may be used to pay for tuition and/or fees for part-time enrollment in online learning programs. IEA funds cannot be used to pay for a student's full-time enrollment in an online learning program unless the school providing the program is a non-public school approved to participate in the IEA Program.	Yes (Form)
Public School Services	These include services provided under a contract with a public school, including individual classes and extracurricular programs.	No
Tuition/Fees at Post-secondary Institutions	Tuition and fees must be used for the sole benefit of the participating student at a Tennessee community college, College of Applied Technology, university included in the University of Tennessee system, locally governed state university within the Tennessee Board of Regents system, or an accredited private post-secondary institution.	No

Approved Expense Category	Expense Qualifications	Requires Pre-Approval or Affidavit
Transportation	Defined as fees for transportation paid to a fee-for-service (i.e., commercial) transportation provider. Transportation fees may only be used for IEA student transportation to/from schools and educational providers (including tutors and therapists).	No
Financial Management Fees	Financial management fees are for the management of the IEA by financial institutions or private financial management firms.	No
ABLE TN Account Contributions	Tennessee Achieving a Better Life Experience (ABLE TN) is a savings program designed to help individuals with disabilities put aside money to pay for future qualified expenses. These accounts provide the opportunity to save and invest with tax-free earnings to help participants maintain independence and quality of life.	Yes (ABLE Form)
Coverdell-530 Education Savings Account Contributions	A Coverdell-530 education savings account is a tax-deferred trust that assists families of individuals with disabilities with future educational expenses. It is authorized by 26 United States Code §530, for the benefit of a participating student.	Yes (Coverdell Form)

Required Pre-Approvals: Basic Instructions

All pre-approvals expire at the end of the contract year, **June 30**. The following chart outlines the basic steps for the pre-approval process:



Tuition, Fees, and/or Textbooks Required at a Participating Non-public School

Account holders may use IEA funds to pay for tuition, fees, and/or required textbooks at an IEA participating school approved by the department. A complete list of the approved [IEA Participating Non-public Schools](#) may be reviewed under “Resources” on the [IEA webpage](#). Please note the following:

- Participating schools are not required to admit students enrolled in the IEA Program, and students must meet all requirements for admission set by the school.
- Participating schools set their admission policies and tuition/fees. Participating schools may charge tuition/fees above the amount of the IEA award.

Account holders may only prepay for tuition and/or services at a participating school for services rendered during the IEA contract period for that school year.

- The IEA Program does not send any funds directly to participating schools for tuition.

Tuition – Participating Non-public School

IEA funds may only be used to pay for tuition at an IEA participating school that directly provides instruction to a student enrolled in the IEA Program. Along with the required expense, account holders must submit a **complete, detailed invoice** (i.e., receipt) from the participating school. The tuition may be itemized or grouped on the receipts submitted with the report, depending on how the participating non-public school submits receipts to account holders. The receipt must include all the components listed in chapter 7 and must specify “tuition” on the receipt. If a complete, paid receipt is not submitted with the expense, the funds will be considered misspent.

Allowed Fees – Participating Non-public Schools

Many schools charge fees in areas that are not approved by the IEA Program. As a result, **all fees for which IEA funds are used to pay must be itemized** on the individual receipts and submitted with the corresponding expense.

The following is a list of **approved fees** that may be charged by a participating non-public school for which IEA funds may be used:

- registration fees;
- application fees;
- facility fees;
- textbook fees (see the *Required Textbooks* section below);
- lab fees (science labs, math labs, computer labs, etc.);
- transportation fees (*if* these fees are for services of transportation to/from schools and educational providers, including tutors and therapists; extracurricular activities such as field trips and sports events are not included);
- supply fees (*if* these fees do not include consumable items such as pens, paper, markers, art supplies,

construction paper, pencils, folders, backpacks, etc.); **and**

- approved test fees (*if* an account holder requests that the school administer a norm-referenced or TCAP tests to a student enrolled in the IEA Program, the school may include the cost to administer the test in the school fees charged to the account holder).

Required Textbooks – Participating Non-public Schools

If a participating school requires account holders to purchase textbooks for the student from a retail source, account holders must submit to the department when submitting the expense. Purchases of required textbooks, including e-textbooks, from a retail source must be reported and an itemized receipt must be submitted with the expense. (Please see chapter 7 for detailed instructions for submitting expenses within the IEA Portal.)

Tutoring and Educational Therapy Services

For detailed information regarding the use of IEA funds to pay for tutoring or educational therapy services for a student in the IEA Program, as well as instructions on submitting pre-approval requests for tutoring and therapy services, please see chapter 6 of this handbook.

Curriculum and Supplemental Materials

Curriculum is defined as an instructional educational material for an academic course of study for a particular content area or grade level, including any supplemental material required by the curriculum.

Approvable academic courses of study include the following:

- **computer technology** (e.g., computer applications, computer literacy, computer programming, and interactive multimedia design);
- **English language arts** (e.g., reading, vocabulary, and literature);
- **health education;**
- **mathematics** (e.g., algebra I, algebra II, geometry, calculus, trigonometry, pre-calculus, statistics);
- **business arts** (e.g., economics, personal finance, marketing, management, and accounting);
- **science** (e.g., biology, chemistry, physics, physical science, anatomy and physiology, earth science, geology, environmental science, STEM, and ecology);
- **social studies** (e.g., psychology, sociology, U.S. history, world history, geography, ancient history, African American history, U.S. government, and civics);
- **world language;**
- **fine arts/music theory; and**
- **college entrance exams** (e.g., ACT or SAT).

Account holders may only use IEA funds to purchase curricula for the sole benefit of the student enrolled in the IEA Program. The department does not hold a list of approved curricula and cannot endorse any curriculum; it is the role of the account holder to make curricular decisions based on the individual needs of the student. Pre-approvals are not required for the purchase of curricula with IEA funds. If you have questions about curriculum, you can contact IEA.Questions@tn.gov. Account holders may be required to provide evidence that a supplemental material is required by the curriculum.

Examples of Allowable Supplemental Materials (when required by the curriculum)	Examples of Disallowed Expenses
Science experiment kits	Toys
Workbooks and teacher edition	Art supplies
Educational maps	Dolls
Flashcards	Workshops
Math manipulatives	Musical instruments

Note:

If the curriculum is an expense associated with an online learning program or course, the purchase must have prior approval.

Computer hardware and technological devices (i.e., electronics) are **not** considered supplemental materials. Account holders must submit a *Computer Hardware and Technological Device Pre-Approval Request Form* and receive pre-approval **before** purchasing any electronic device.

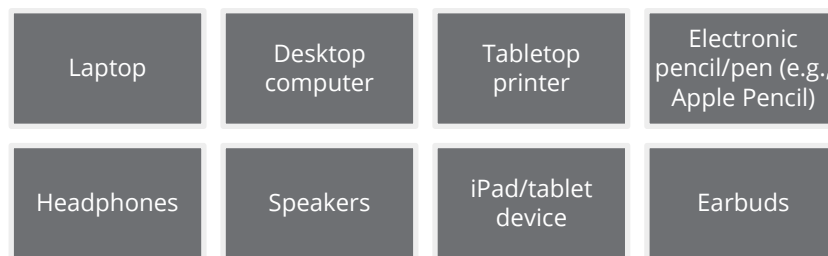
Computer Hardware and Other Technological Devices

Account holders may use IEA funds to purchase computer hardware or technological devices approved by the department or a licensed treating physician if the computer hardware is used for the student's educational needs. According to [SBE Rule 0520-01-11-.06\(1\)\(n\)](#), computer hardware or other technological devices must meet one of the following criteria:

- the technology is 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; *and/or*
- the technology allows a student to access instruction or instructional content.

All electronic devices are computer hardware/technological devices, and account holders must receive pre-approval from the department before purchasing those devices.

Examples of computer hardware/ technological devices that require pre-approval are as follows:



Note: This is not a comprehensive list. One way to determine if something could be computer hardware or a technological device is to consider if the item requires power to operate (e.g., “Does it have batteries? Does it plug into an outlet or device? Does it need to be charged?”).

Computer Hardware/Technological Device Restrictions

- Account holders may **not** use IEA funds to purchase internet services or **any** type of software. Note: If the software is part of an approved expense (i.e., a bundled package), it may be allowable if it is *not* an additional incurred expense.
- If IEA funds are used to purchase computer hardware or a technological device, account holders may not purchase the same or similar item *with IEA funds* until two calendar years have passed since the date the like item was purchased. For example, if an account holder purchases a laptop with IEA funds on October 19, 2024, the account holder will not be able to use IEA funds to purchase another laptop until October 20, 2026.

Replacements and Exceptions

The department reserves the right to make exceptions to these procedures for reasons including, but not limited to if the account holder provides sufficient documentation to prove that the original item purchased was:

- stolen,
- damaged to the point it could not be used, **or**
- no longer functioning and is not repairable.

If an account holder provides the documentation with a request for a replacement of a technological device within the two-year period, the department will review the request and may make a determination of replacement value based on an established depreciation model or approve a repair in lieu of a replacement. The account holder may be required to submit a repair estimate to the department for review.

Pre-Approval Requests for Computer Hardware and Technological Devices

Before purchasing computer hardware or a technological device with IEA funds, account holders **must receive pre-approval** from the department. To request pre-approval, account holders must submit a [Computer Hardware and Technological Device Pre-Approval Request Form](#) to the department which includes the following details:

- name of the computer hardware or technological device;
- an explanation of the educational purpose the computer hardware or technological device will serve for the participating student; **and**
- a link to the specific item webpage that describes the requested computer hardware or technological device. The webpage must describe the computer hardware or technological device and must meet the definition of computer hardware or technological device as explained in chapter 5 of this handbook. Also, the name of the computer hardware or technological device on the webpage must match the name of the hardware or device that is listed on the pre-approval form.

If the computer hardware or technological device has been recommended for the student by a licensed, treating physician, the account holder should include that information when submitting the pre-approval request form to the department.

Test Fees

To meet the statutory assessment requirement for a student in the IEA Program, as outlined in [T.C.A. § 49-10-1403\(e\)](#) and chapter 3 of this handbook, an account holder may use IEA funds to pay for fees associated with the student's participation in **either** a nationally norm-referenced test(s) approved by the department **or** TCAP tests.

Account holders may also use IEA funds to pay for Advanced Placement tests and/or the college placement and achievement tests known as ACT, SAT, and PSAT.

Test fees must be reported as an expense for the quarter in which the test was paid, and an itemized receipt must be submitted with the expense to be approved.

Psychoeducational Assessments

Psychoeducational assessments (e.g., dyslexia testing, IQ testing) do not meet the definition of approved testing fees; however, if a therapist who has been **pre-approved by the department** requests to conduct a psychoeducational assessment as part of the ongoing educational therapy process, the assessment fees **may be** considered an approved expense. Please see chapter 6 for more information on educational therapies.

Note:

Account holders must submit a request for and receive pre-approval for any educational therapy, including any assessments, required by an approved therapist. Please see chapter 6 of this handbook for more information.

Tuition/Fees for Online Learning Programs/Courses

IEA funds may be used to pay for tuition and/or fees for a participating student's **part-time enrollment** in department-approved online learning programs and/or courses. IEA funds may *not* be used to pay for a student's **full-time enrollment** in an online learning program/course unless the school providing the program/course is included on the list of approved *IEA Participating Schools* as posted under "Resources" on the [IEA webpage](#). **Part-time enrollment is defined as no more than 225 minutes per day. The definition of an online course or program is a course or program that is led by an instructor through a recording or live.**

Account holders must submit an [Online Learning Program/Course Pre-Approval Request Form](#) to the department and receive approval from the department *before* using IEA funds to pay for any online learning programs/courses. The request for pre-approval must include the following information:

- name of the online learning program/course;
- organization/school/vendor providing the online learning program/course;
- author/publisher; **and**
- direct web link to a specific webpage that provides a description of the online learning program/course. The name of the online learning program/course on the webpage must match what is listed on the required pre-approval form.

Curriculum materials purchased for use in an online learning program or course must follow the curriculum guidelines outlined above in this handbook.

- IEA funds cannot be used to pay for online learning program family subscriptions but can be used to pay for individual IEA student subscriptions for up to one year.

Public School Contracted Services

Account holders may use IEA funds to pay for services, courses, or programs provided through a contractual agreement between the account holder and an LEA. The LEA is not required to provide such services and has the right to refuse service. LEAs are authorized to charge tuition for students who attend classes but for whom the LEA is **not** receiving funding through the state's education funding formula, the *Tennessee Investment in Student Achievement Act* (TISA).

Prior to entering any contractual service with an LEA, account holders should ensure that the LEA is willing to accept payment for any services via the IEA payment method. The account holder is responsible for ensuring that the LEA provides them with a complete paid invoice (i.e., dated receipt) for all services, including part-time tuition, if relevant.

Note:

Enrolling a student full-time in a public school (LEA) or virtual public school will result in termination from the IEA Program and a determination of misspent IEA funds that will require repayment for any IEA funds that were spent after the date of public school (re)enrollment.

Tuition, Fees, and/or Required Textbooks at an Eligible Post-Secondary Institution

IEA funds may be used to pay for tuition, fees, and/or required textbooks at an eligible post-secondary institution for a student who meets the following criteria:

1. A student enrolled in the IEA Program may use IEA funds to pay for qualifying expenses for **dual enrollment** courses at an eligible post-secondary institution while still enrolled in an IEA participating non-public school or independent home school; **or**
2. A **post-secondary** student may use **saved** IEA funds for eligible post-secondary expenses if the student:
 - was enrolled in the IEA Program during grade 12 and graduated from high school;
 - had funds *remaining* in an IEA at the time of graduation from high school; **and**
 - continued (renewed) participation in the IEA Program.

Use of IEA Funds – Dual Enrollment

IEA students may be eligible to use IEA funds to pay for allowable dual enrollment expenses at an eligible post-secondary institution. Students in grades 11 and 12 also have an optional opportunity through the state's Dual Enrollment Grant Program, which is funded by the Tennessee Lottery and administered by the Tennessee Student Assistance Corporation (TSAC). The Dual Enrollment Grant Program provides opportunities for eligible students to begin working toward a college degree, while still pursuing a high school diploma.

For an IEA student using IEA funds to participate in a dual enrollment program, **ALL** student records on file with:

- the department,
- the student's residence LEA,
- the student's non-public school or independent home school, **and**
- any post-secondary institution in which the student is dually enrolled

It must reflect that the student is in high school, and NOT a student who has *graduated* from high school and is solely enrolled in a post-secondary institution for higher education coursework.

The department may request additional documentation for a student participating in a dual enrollment program, including, but not limited to:

- a letter from the post-secondary institution indicating proof of the student's dual enrollment status;
- a letter from the student's home school coordinator in the LEA in which the student resides that lists the student's grade level and proof of dual-enrollment status; **and/or**
- a letter from the student's non-public school that lists the student's grade level and proof of dual enrollment status.

Resource:

For more information or to apply to the Tennessee Dual Enrollment Grant Program, please visit the Dual Enrollment webpage [here](#).

Use of IEA Funds – Post-secondary Higher Education

If a timely renewal application is submitted, an IEA student who has graduated from high school or reached twenty-two (22) years of age can use existing unspent IEA funds for up to four (4) consecutive subsequent years after the student's high school graduation or 22nd birthday as a Legacy Student, provided the student attends or takes courses from an Eligible Postsecondary Institution **and** the expenditures are determined to be qualifying expenses. [SBE Rule 0520-01-11-.04(5)]

The IEA will be closed earlier if the student graduates from a post-secondary institution. No additional IEA disbursements will be made to a student's IEA after graduating from high school **or** reaching 22 years old. [TCA 49-10-1403(i)]

Tuition/Fees at an Eligible Post-secondary Institution

Many post-secondary institutions charge fees in areas that are not approved by the IEA Program. As a result, all fees for which IEA funds are used must be itemized on the individual receipts and submitted with the corresponding expense (see chapter 7 for detailed information on submitting expenses).

Required Textbooks for an Eligible Post-secondary Institution

Most post-secondary institutions require students to purchase specific textbooks for coursework. To use IEA funds to pay for textbooks, account holders must submit documentation with the expense. This does not endorse any products, providers, services, etc., but assures that the textbooks listed are required by the post-secondary institution.

In addition, purchases of required textbooks must be reported, and an itemized receipt must be submitted with the expense. However, *optional* textbooks for coursework should be reported as a curriculum expense. See chapter 7 for detailed information on submitting expenses.

List of Post-secondary Institutions Eligible for Use of IEA Funds

Account holders may only use IEA funds to pay for post-secondary tuition, approved fees, and/or required textbooks for a participating student for dual-enrollment or higher education coursework at the following post-secondary institutions:

- Tennessee public community colleges;
- colleges within the University of Tennessee system (or a locally governed state university within the Tennessee Board of Regents systems);
- Tennessee Colleges of Applied Technology (TCAT); any accreditation division of [Cognia](#) (f:
 - North Central Association Commission on Accreditation and School Improvement (NCA CASI);
 - Northwest Accreditation Commission (NWAC); **or**
 - Southern Association of Colleges and Schools Council on Accreditation and School Improvement (SACS CASI);
- [Middle States Association of Colleges and Schools \(MSA\)](#);
- [New England Association of Schools and Colleges \(NEASC\)](#);
- [Western Association of Schools and Colleges \(WASC\)](#); **or**
- [Council on Occupational Education \(COE\)](#).

Resource:

For a comprehensive list of post-secondary institutions in Tennessee, please visit the [Tennessee Higher Education Commission's](#) webpage.

Transportation

Account holders may use IEA funds for transportation fees paid to a **commercial fee-for-service** transportation provider for services of student transportation to/from schools and educational providers (including tutors and therapists) or for transportation fees paid to a participating school for the same reasons.

Please note, if using IEA funding to pay for public bus transportation, it is recommended that a bus pass be purchased (as opposed to paying the bus fare on the bus) to generate a receipt of the funds expended.

Financial Management Fees

Account holders may use IEA funds for financial management fees paid to a private financial management firm. IEA funds may only be used for fees directly related to the management of the IEA account and the educational needs of the student enrolled in the program.

Tennessee Achieving a Better Life Experience (ABLE TN) Account Contributions

An account holder may use IEA funds to make contributions to an [ABLE TN savings account](#). Administered by the Tennessee Department of Treasury, ABLE TN is a savings program designed to help eligible Tennessee residents with disabilities put aside money to pay for qualified expenses. The student enrolled in the IEA Program must be the Designated Beneficiary of the ABLE account. Additionally, the ABLE TN Authorized Individual must be the same person as the Account Holder for the IEA Program. Up to \$19,000 per calendar year including any personal funds that an account holder or any individual contributes to the ABLE TN account in the student's name, may be contributed to an ABLE TN account on behalf of each eligible student enrolled in the IEA Program. This includes personal contributions made by the account holder or others to the general ABLE TN account ending in -01 and the IEA portion of the ABLE TN account ending in -02. It is the account holder's responsibility to track their total contributions (including contributions to both the -01 account and the IEA -02 portion of the ABLE TN account) for the calendar year to not exceed the \$19,000 limit. The IEA program should be notified at IEA.Questions@tn.gov when total contributions are \$5,000 from the \$19,000 max. When the account holder reports total contributions of \$14,000, the IEA Program will monitor the next disbursement and allocate funds as needed to ensure that the \$19,000 limit is not exceeded. Failure to alert the IEA Program when approaching the limit may result in a delay in funds being available for use. The IEA funds deposited into an ABLE TN account **may only be spent on the participating student's educational expenses**.

Resource:

For more information on how IEA funds deposited into an ABLE TN savings account may be utilized, please visit [Tennessee Individualized Education Accounts \(IEA and ABLE TN\)](#).

For an account holder to make contributions to an ABLE TN account using IEA funds, the account holder must first complete the following [steps](#):

- **Step 1:** Open an ABLE TN account following the instructions posted on the [ABLE TN website](#). To use IEA funds for ABLE TN, an ABLE TN account must first be established. Account holders may register through the ABLE TN website. A deposit of \$25.00 of personal funds will be required to open an ABLE TN account.
- **Step 2:** Establish an ABLE TN IEA identification number. Once an ABLE TN account is opened, account holders fill out the ABLE TN "Establish IEA Identification" form to let ABLE TN know they will be contributing IEA funds to an ABLE TN account and for ABLE TN to establish the IEA Identification number on the ABLE TN account. The IEA portion will be assigned an identification number ending in **-02**. Upon creation of the ABLE TN Identification number, account holders will receive a secure e-mail from ABLE TN. The e-mail will contain the IEA Identification number and additional important information. It is important to retain that email for future use and reference. All funds received from the IEA program must be deposited into the IEA portion of the ABLE TN account. To establish the IEA identification number, please complete this ABLE TN request [form](#).
- **Step 3:** Complete the Tennessee Department of Education's [ABLE TN Contribution Request for IEA Account Holders Form](#). **Please note: This is in addition to any forms or documentation that is required by**

ABLE TN for opening the ABLE TN account. Once the completed *ABLE TN Contribution Request for IEA Account Holders Form* is received by the department, then the department will withhold the amount of the contribution from the next IEA payment. A check for the contribution will be sent to the mailing address listed on the account holder's W-9 form. Account holders will be notified if this process changes in the future. Recurring contributions will be withheld from each IEA payment disbursement and cannot exceed the amount of the IEA quarterly award for the contractual year.

- The IEA Team will approve ABLE TN contribution requests within 30 calendar days and will process the request with the next scheduled IEA disbursement after approval.
- Account holders who request recurring contributions will receive check payments on the disbursement cycle until the account holder notifies the IEA Team, in writing, that they no longer wish to receive IEA funds to invest in ABLE. Account holders who wish to opt-in to recurring ABLE contributions or account holders who wish to change their distribution request must submit the [ABLE TN Contribution Request for IEA Account Holders Form](#). Requests made within 3 weeks of an upcoming disbursement may not be processed until the disbursement after.

➤ **Step 4:** Receive the IEA ABLE TN contribution check from the department and deposit the funds into the IEA portion of the student's ABLE TN account by following the steps below.

If your check is less than \$10,000:

1. Complete the [IEA Contribution Form](#), print, and sign the form.
2. Endorse the check you received from the Department of Education, and mail it with your completed *IEA Contribution Form* to:

ABLE TN

P.O. Box 55599

Boston, MA 02205

3. To endorse a Third-Party check made payable to you, the parent/guardian, for deposit into the IEA-02 portion of the ABLE TN account, please write the following on the back of the check:

For Deposit only

Pay to the order of ABLE TN

Write the **IEA Identification number which ends in -02**

Write the **full name of the student**

Your signature, as it is made payable to you, the account holder

If your check is over \$10,000:

1. Complete the IEA Contribution form, print, and sign the form.
 2. Deposit the check into your own bank account; then write a personal check payable to "ABLE TN" and mail it with your completed IEA Contribution Form to the same address listed above.
- **NOTE:** IEA Program contributions cannot be accepted without the [IEA Contribution Form](#). In order to ensure IEA funds are being used for educational expenses, IEA contributions cannot be deposited in the ABLE TN online account portal. When logging in to the ABLE TN online account portal, if an account holder notices that the IEA -02 portion of the account has closed, please submit a signed letter of instruction (LOI) to the ABLE TN program requesting to reopen the IEA portion of the account. The LOI

may be sent as an e-mail attachment to the program at ABLE.TN@tn.gov. Account holders may alternately include the LOI in the mail package when sending the check for the IEA contribution to ABLE TN.

- **Upon receipt of the check from the department, the account holder must deposit the contribution check into the IEA portion of the ABLE TN account within 21 calendar days of the issuance date listed on the check that the department sends the account holder. Any ABLE funds that are received and not deposited into the ABLE account within the required timeframe will be considered misspent and may be the basis for removal from the IEA Program.**
 - **Step 5:** Report the ABLE TN contribution in the [IEA Portal](#) and upload a copy of the Transaction Notice from ABLE TN as the receipt. The receipt should include the student's name, date of deposit, deposit amount, and must show that the funds have been deposited into the IEA portion of the ABLE TN account.

Coverdell Education Savings Account Contributions

An account holder may use IEA funds to make contributions to a 530 Coverdell Education Savings Account (ESA). A 530 Coverdell Education Savings Account is a tax-deferred trust, authorized by Section 530 of the Internal Revenue Code (26 U.S.C § 530), that assists families of individuals with disabilities for future educational expenses. For more information on opening a Coverdell account, please visit the [IRS website](#).

Up to \$2,000, including any personal funds that an account holder or any individual contributes in the participating student's name, may be contributed annually to a 530 Coverdell account on behalf of each student enrolled in the IEA Program each year. The IEA funds deposited into a Coverdell account **may only be spent on the participating student's educational expenses.**

For an account holder to make contributions to a Coverdell account using IEA funds, the account holder must first complete the following steps:

- **Step 1:** Account holders should open a Coverdell account at a financial institution of their choosing. Guidelines are posted on <https://www.irs.gov/taxtopics/tc310/>.
- **Step 2:** Complete the department's [IEA Coverdell Contribution Request Form](#). The account holder must submit with this form documentation from the financial institution which shows that the 530 Coverdell ESA is opened in the IEA account holder's name and that the student enrolled in the IEA Program is listed as the beneficiary. **Please note: This is in addition to any forms or documentation required by the financial institution for opening the Coverdell account.** Once the completed *IEA Coverdell Contribution Request Form* is received, the department will withhold the amount of the contribution from the next IEA payment and then send a check in the amount of the contribution to the mailing address listed on the account holder's W-9 form. Please note that requests made within 2 weeks of disbursements may be delayed until the following disbursement.

- **Step 3:** Receive the IEA Coverdell contribution check from the department and deposit the funds into the account holder's Coverdell education savings account at the chosen financial institution. **Upon receipt, the account holder must deposit the contribution check into the Coverdell account within 21 calendar days of the issuance date listed on the check that the department sends to the account holder. Any Coverdell funds that are received and not deposited into the Coverdell account within the required timeframe will be considered misspent and may be the basis for removal from the IEA Program.**
- **Step 4:** Report the Coverdell contribution in the IEA Portal and upload a copy of the deposit confirmation from the financial institution as the receipt.

Note: Account holders choosing to open ABLE TN and/or Coverdell accounts in order to meet the statutory annual 50% spending requirement for the contract year, should submit those requests to receive funds for deposit in these accounts no later than the end of the month directly preceding the month of the final disbursement of the contract year.

Disallowed IEA Expenses

Account holders are prohibited from using IEA funds for the following expenses: *

1. Certain Fees:

- Athletics or extracurricular activities fees unless the activity is required for enrollment in a participating school.
- Supply fees for consumable items (e.g., pens, paper, markers, art supplies, construction paper, pencils, folders, backpacks, etc.).
- Fees associated with before- and after-school care, field trips, or clothing items.
- Tuition or fees for online home school umbrella programs/schools unless the program is listed as an approved IEA participating school.
- Full-time enrollment in an online learning program/course, unless the school is an approved IEA participating school (part-time enrollment is allowed).
- Workshops, lessons, or classes (e.g., yoga, woodworking), unless included in a student's enrollment and part of the tuition/fees of a participating school.
- Room and board fees or meal plans at post-secondary institutions.
- Costs associated with canceled, late, or missed tutoring/therapy appointments.

2. Consumables:

- Educational supplies such as paper, pencils, pens, markers, printer ink, crayons, erasers, folders, glue, backpacks, etc.
- Magazine subscriptions, unless required as part of a non-public school curriculum.
- Food or meal plans.
- Printing services.

3. Medical-Related Items and Services:

- Medicines, supplements, medical services, medical devices (e.g., acupuncture, nutritionists), etc.
- Psychoeducational assessments, unless pre-approved as part of ongoing educational therapy.

4. Some Experiences:

- Visual or performing arts classes/lessons (e.g., music lessons, dance classes, drama camp), or supplies/equipment for these activities (e.g., musical instruments, theater props, art supplies).
- Field trips and extracurricular fees, unless required to attend a participating school or paid through a public school/district contract.

5. Certain Services:

- Tutoring in a subject the student is not receiving primary instruction in.
- Tutoring in a subject not listed in the approved subjects of the IEA Account Holder Handbook.
- Therapy services from a provider whose credentials are not listed in the IEA Account Holder Handbook.
- Tutoring or therapy services from family members or household members (including stepparents).
- Tutoring or therapy services from paraprofessionals.

6. Add-on Technology:

- Computer software.
- Computer cloud services.
- Televisions, cable TV service, or software required for new computers (e.g., operating systems, Office suite), unless pre-approved as part of a technology bundle.
- Warranties, unless part of a pre-approved computer hardware/technology device bundle.
- Internet services.

7. Some Equipment:

- Desktop binding machines.
- Musical instruments.
- Other supplies/equipment for performing or visual arts.

8. Animals/Supplies:

- Farm animals or pets and associated supplies.

9. Personal Transportation:

- Transportation to extracurricular activities (e.g., field trips, sports events) unless required for enrollment at a participating school.
- Transportation provided by account holders, family members, friends, or non-commercial transportation providers.
- Transportation provided to the account holder before picking up or after dropping off a student.
- Gas or carpooling services.
- Automobile payments.
- Transportation to/from locations other than school or an educational provider.

10. Expenses Outside Contract Period:

- Any expenses, services, or goods paid/provided or billed outside of the IEA contract period (except registration and application fees for participating schools, provided the student is still enrolled for the following year).

11. Other Items Not Covered:

- Furniture (e.g., desks, chairs, workstations, teaching carts, storage cabinets).
- Donations, tips and gratuities.
- Public school commodities for extracurricular activities (e.g., uniforms, musical instruments).
- Wood-working supplies (e.g., tools, lumber, nails).
- Toys or dolls unless they are sensory devices or tactile manipulatives recommended by a pre-approved licensed therapy provider.
- School uniforms.

*** This is not an exhaustive list of all prohibited expenses;** the department will make individual determinations on whether an expense meets the definition of approved expenses according to [IEA Statute](#), [SBE Rule](#), and department procedures.

Donations & Reselling Items Purchased with IEA Funds

Account holders may not donate IEA funds. If an individual, school, business, or vendor asks the account holder to make a donation when making a purchase with IEA funds, the account holder must decline. If the account holder wishes to make a donation, they should **use personal funds** separate from the transaction made using IEA funds. All IEA funds are solely approved for the use and educational benefit of the student enrolled in the IEA Program.

It is unlawful for an account holder or third party to financially benefit from the sale of any product purchased using funds distributed by the IEA Program including through resale or trade. The resale or trade of items purchased with IEA funds is considered a violation of the contract and may be grounds for removal and referral to the Tennessee Attorney General's Office for investigation.

Account holders **may**, after a two-year period, donate used books and materials purchased with IEA funds to a 501(c)(3), public or non-public school, religious organization, or an individual family.

Chapter 6: Tutors and Therapy Providers

Account holders may choose to supplement their child’s education by hiring tutors and therapists (i.e., service providers). Providers must meet the qualifications and procedures as described in this handbook.

Definitions:

- **“Tutoring service”**: supplementary instruction in an *academic* subject area provided to support/enhance the primary instruction that a student receives in a course and/or class. These are services provided by a tutor who meets the requirements set by the department as outlined in this handbook. **Tutoring services are not the primary instruction. Please note: Lessons, classes, and tuition fees are not considered tutoring services.** For example, a student cannot use IEA funds for a tutor in Algebra if that student is not also receiving primary instruction in Algebra. All tutoring services must be in the approved subject areas listed in chapter 6.
- **“Educational therapy”**: individualized services designed to develop or improve academic performance through instructional and therapeutic techniques, and provided by therapists that meet the requirements set by the State Board of Education and the department; this also includes tactile manipulatives recommended by the therapist for the participating student pursuant to the guidelines set forth by the department. All therapy services through the IEA Program must be delivered directly to the student with the IEA and clearly related to the education of the participating student.

To use IEA funds to pay for educational therapies and services, sensory and tactile manipulatives, and/or tutoring services, IEA account holders **must request and receive pre-approval each contract year** from the department *before* the tutoring or therapy services are rendered. To receive pre-approval, the account holder must submit the [Educational Therapies and Services Pre-approval & Agreement Form](#). Account holders must provide a description of the tutoring subject and/or educational therapy’s purpose; sensory and tactile manipulatives require both a detailed description and justification from the student’s licensed therapist when submitting a pre-approval. For pre-approval, the department requires documentation of the provider’s licensing credentials; while a provider may hold credentials and varying accreditations, the IEA Program will only accept those credentials and accreditations listed in this handbook (*see below*). Use of IEA funds must be for the sole benefit of the participating student for which the IEA account is established. Account holders should remember that the IEA Program is transitioning to the IEA Portal to manage account information and pre-approvals. Associated forms may shift to a more automated process during this contract year.

Psychoeducational assessments (e.g., dyslexia testing, IQ testing) do not meet the definition of approved testing fees; however, if a therapist who has been **pre-approved by the department** requests to conduct a psychoeducational assessment as part of the ongoing educational therapy process, the assessment fees **may be** considered an approved expense.

Note:

The department does not directly endorse providers for IEA participants. Account holders must request and receive prior approval from the department, following the instructions in this handbook, **before tutoring or therapy services being rendered.**

Account Holder Responsibilities Regarding Tutoring and Therapy Services

- The account holder is solely responsible for using IEA funds in accordance with the laws, rules, and procedures of the IEA Program. For educational therapy/tutoring services to be considered an approved use of IEA funds, the account holder must ensure that the chosen provider meets and adheres to all the requirements outlined in chapter 6 of this handbook.
- It is the responsibility of the account holder to thoroughly research individuals for which contracts are entered into for providing educational therapy/tutoring services for a student. The account holder must ensure receipt of a complete, itemized invoice from the provider. The expense and invoice must then be submitted to the department in the IEA Portal for the reporting period in which the services were rendered. For a full list of the requirements for expense reporting, see chapter 7 of this handbook.
- Before contracting for services, the account holder should verify that the chosen provider can accept and process payments for services using the IEA debit card.
- The account holder is responsible for any contract signed with a provider and for ensuring that the terms of the contract are fulfilled. The department cannot void a private contract, give legal advice, or arbitrate payment schedules.
- Account holders who choose to contract with a tutoring or therapy agency that employs more than one provider should make that agency aware that a pre-approval is required for each person rendering service unless the account holder requests and receives pre-approval for the entire group. IEA account holders must first request and receive pre-approval from the department before the tutoring or therapy services are rendered by the different provider for IEA funds to be used for payment.
- The hiring of family members as tutors or therapy providers is prohibited. It is considered a misuse of IEA funds for a family member of a student, including a stepparent or member of an eligible student's household, to derive any financial benefit from the IEA Program.
- IEA funding cannot be used to pay paraprofessionals to provide therapy or tutoring services as paraprofessionals are unlicensed (i.e., they do not hold the required credentials outlined in this chapter).
- Account holders may pre-pay for tutoring and/or therapy services for a participating student if the following conditions are met:
 - the department has approved the pre-approval request for that specific provider **and**
 - the tutoring and/or therapy dates of service do not extend beyond the IEA contract period for that school year, or the expiration date listed on the pre-approval form, whichever comes first.
- If an account holder pre-pays for educational tutoring and/or therapy services for a participating student, the account holder must report the prepaid amount on the expense report for the quarter

in which the IEA funds were spent and must include a receipt that details the dates of service.

Criminal Background Check Requirement

All tutoring and/or therapy service providers must comply with the criminal background check requirements pursuant to [SBE Rule 0520-01-11-.02\(7\)](#). When submitting the [Educational Therapies and Services Pre-approval & Agreement Form](#) the account holder must provide verification and maintain documentation that the chosen provider has passed a criminal background check. Individuals who have been convicted of a felony, including conviction on a plea of guilty, a plea of *nolo contendere*, or order granting pre-trial diversion are not permitted to receive IEA funds for services rendered to students enrolled in the IEA Program. **The IEA Program may request documentation of the required background checks at any time.**

What standards must the criminal background check meet?

A criminal background check, at a minimum, must include checks of the Tennessee 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 and 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*.

To ensure that providers meet this requirement, account holders must complete all the following steps, at a minimum, as required by [SBE Rule 0520-01-11-.02\(7\)](#):

- **Step 1:** Account holders should request a copy of the provider's **license and accreditation** along with a copy of the provider's criminal background check to ensure compliance with the IEA rules. The copies should be legible, not expired, and issued by an accredited board. To comply with the **criminal background check requirements** of the IEA Program, the account holder must verify to the department that the provider has completed both of the following:
 1. A fingerprint background check through the [Tennessee Bureau of Investigation \(TBI\)](#).
The provider will need to have an Originating Agency Identifier (ORI) number issued by the TBI to request this background check. If the provider does not have an ORI number, the provider will need to request one following the instructions on the TBI website; **and**
 2. A fingerprint background check through the [Federal Bureau of Investigation \(FBI\)](#).
- **Step 2:** Once the provider has completed both the TBI and FBI fingerprint criminal background checks, the account holder must verify that the provider has never been convicted of a felony, including conviction on a plea of guilty, a plea of *nolo contendere*, or order granting pre-trial diversion. The account holder must search the following two registries and ensure that the provider does not appear on either:
 - [Tennessee Department of Health Abuse Registry](#); **and**
 - [Tennessee Bureau of Investigation Sex Offender Registry](#).

Educational Therapy Services

Account holders must receive pre-approval by the department each contract year **before** the services are provided and before using IEA funds to pay for educational therapy services. See the section below for pre-approval instructions.

Therapist Licensure

To use IEA funds to pay for educational therapy for a participating student, the therapy service must be provided by a therapist who meets the requirements set by the State Board of Education and the department. The following list shows the only approved therapist credentials accepted by the department. Pre-approval requests for therapists not included here will be considered on a case-by-case basis.



Tennessee Department of Education teacher license endorsements:

- School Audiologist Pre-K-12, Tennessee license code 469
- School Counselor Pre-K-12, Tennessee license code 487
- School Psychologist Pre-K-12, Tennessee license code 489
- Speech/Language Pathologist (SLP) Pre-K-12, Tennessee license code 498
- Speech/Language Teacher Pre-K-12, Tennessee license code 458



Behavior Analyst Certification Board (BACB):

- Board Certified Behavior Analyst (BCBA), certified by the BACB
- Registered Behavior Technician (RBT), certified by the BACB



Tennessee Department of Health licenses:

- Behavior analysts, licensed under Title 63 Chapter 11
- Speech pathologists and audiologists, licensed under Title 63 Chapter 17
- Social workers, licensed under Title 63 Chapter 23
- Professional counselors, Marital and Family therapists, and Clinical pastoral therapists, licensed under Title 63 Chapter 22
- Psychologists, licensed under Title 63 Chapter 11
- Medical doctors, licensed under Title 63 Chapter 6
- Doctors of osteopathy, licensed under Title 63 Chapter 9
- Nurses, licensed under Title 63 Chapter 7
- Occupational and physical therapists, licensed under Title 63 Chapter 13
- Licensed occupational and physical therapy assistants (OTAs, PTAs) who have received therapy orders from a licensed therapist

- [Tennessee Department of Health Licensure](#)
- [BCBA and RBT certification](#)
- [Educator Licensure](#)

How to Receive Pre-Approval for Educational Therapy Services

The department requires that updated pre-approvals for therapists and therapy facilities/clinics be submitted to the department at the beginning of each contract year if the account holder wishes to continue services by a specific provider or clinic that was approved in a previous contract year. Pre-approvals for therapy services are only valid until the earlier of the provider's license expiration date or the last date of the IEA contract year; the date of expiration will be included in the approval notice from the department. The department, at its discretion, may allow early submittal of pre-approval requests for therapy services for the

next contract year to avoid any potential disruption in services.

Account holders must receive prior approval from the department **before** using IEA funds to pay for educational therapy services. To request pre-approval, account holders must submit the pre-approval for a [Educational Therapies and Services Pre-approval & Agreement Form](#). On the pre-approval form, account holders must attest that the provider complies with the criminal background check rules pursuant to [SBE Rule 0520-01-11](#) (see the section above for how to check provider compliance with this requirement) and verification that the individual provider holds professional liability insurance and/or attest to making the administration of the therapy facility or clinic aware that they may not receive IEA funds to pay for any service provided by a therapist whose license in the appropriate area has expired. To ensure that providers meet this requirement, account holders should request to see verification of the provider's professional liability insurance to ensure it complies with the IEA Rules. Examples of verification of professional liability insurance include:

- a certificate of professional liability that covers the individual provider, **or**
- a certificate of professional liability that covers the company.

Educational Tutoring Services

Account holders must receive pre-approval by the department each contract year before tutoring services are provided and before using IEA funds to pay for tutoring services. See the section below for instructions on how to request pre-approval.

Approved Tutoring Subject Areas

IEA funds may be used to pay for tutoring services for a participating student in grades K-12 in any of the following approved subject areas:

- **computer technology** (e.g., computer applications, computer literacy, computer programming, and interactive multimedia design),
- **English language arts** (e.g., reading, vocabulary, and literature),
- **health education,**
- **mathematics** (e.g., algebra I, algebra II, geometry, calculus, trigonometry, pre-calculus, statistics),
- **business arts** (e.g., economics, personal finance, marketing, management, and accounting),
- **science** (e.g., biology, chemistry, physics, physical science, anatomy and physiology, earth science, geology, environmental science, STEM, and ecology),
- **social studies** (e.g., psychology, sociology, U.S. history, world history, geography, ancient history, African American history, U.S. government, and civics),
- **world language,**
- **fine arts/music theory, and**
- **college entrance exams** (e.g., ACT or SAT).

If a subject area for which an account holder wishes to hire a tutor is not listed above, the account holder may request that a subject area be added to this list by submitting a [Tutoring Subject Add Request Form](#) to the department. If the new tutoring subject area is approved by the department, the account holder would then need to submit a [Tutoring Services Pre-Approval & Agreement Form](#) to request pre-approval for the services **prior** to services rendered by an individual tutor or facility **and** payment.

Tutor and Tutoring Facility Accreditation Requirements

For use of IEA funds, tutoring services must be provided by an individual tutor who holds one of the qualifications listed below or a tutoring organization accredited by one of the following entities.

Individual tutors must hold at least one of the following credentials ***in the subject area for which the tutor will be providing tutoring services:***

- a state teaching certificate in elementary, secondary, or special education (issued by one of the 50 states in the U.S. only);
- an advanced teaching certification known as *National Board Certification* given by the National Board for Professional Teaching Standards community (proof of National Board Certification must be submitted with the pre-approval form);
- a bachelor's degree or higher from an accredited university in the specific subject area being taught (proof of degree attainment must be submitted with the pre-approval form, such as official transcripts or a diploma); **or**
- proof of a passed Praxis exam in all applicable portions of the Praxis exam for the subject area and/or grade level for which tutoring services are provided (proof of passing Praxis scores must be submitted with the pre-approval form).

State teaching certificates/licenses are not required to be current (e.g., a retired teacher with an expired teaching license may qualify as an IEA tutor); however, individuals with licenses that have been *suspended* or *revoked* will not qualify as IEA tutors. An account holder may verify a potential tutor's Tennessee teaching license by searching the tutor's name at <https://department.tncompass.org/Public/Search>.

Tutoring facilities must be accredited ***by one the of the following accreditation entities:***

- any accreditation division of Cognia:
 - North Central Association Commission on Accreditation and School Improvement (NCA CASI);
 - Northwest Accreditation Commission (NWAC); or
 - Southern Association of Colleges and Schools Council on Accreditation and School Improvement (SACS CASI);
- [Middle States Association of Colleges and Schools \(MSA\)](#);
- [New England Association of Schools and Colleges \(NEASC\)](#);
- [Western Association of Schools and Colleges \(WASC\)](#); **or**
- [Council on Occupational Education \(COE\)](#).

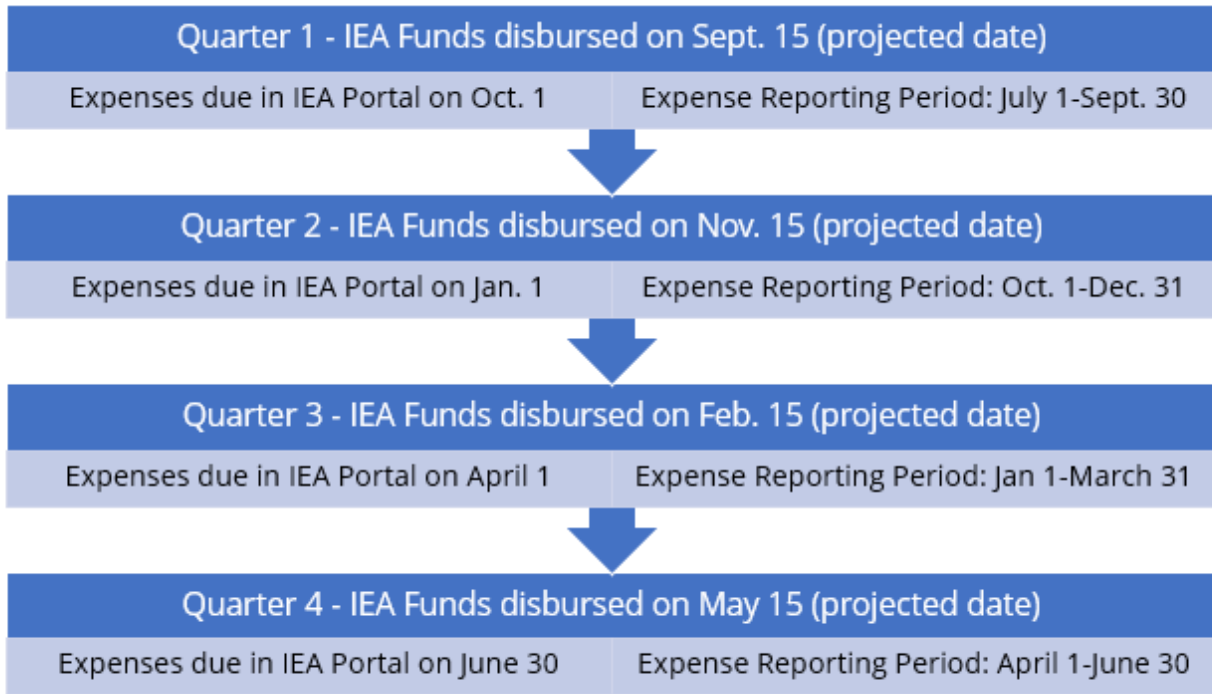
How to Receive Pre-Approval for Educational Tutoring Services

Account holders must receive prior approval from the department **before** using IEA funds to pay for educational tutoring services. To request pre-approval, account holders must submit the [Tutoring Services Pre-Approval & Agreement Form](#) to the department. On the pre-approval form, account holders must attest that the provider complies with the criminal background check rules pursuant to [SBE Rule 0520-01-11](#). See the section above for how to check provider compliance with this requirement.

Chapter 7: Expense Reporting

State law requires that the department adopt policies necessary for the administration of the IEA Program. Further, [SBE Rule](#) and the *IEA Account Holder Contract* require that IEA account holders submit expenses and receipts for all IEA funds expended in accordance with the procedures set by the department before the next IEA payment is disbursed. IEA funds may only be used on specific allowable expenses as outlined in chapters 5 and 6 of this handbook, and **the department must receive reports of expenses quarterly, including all relevant receipts and documentation, for each participating student by the deadlines listed below and in the Key Dates document on the [IEA webpage](#).** As a reminder, the IEA Program is transitioning to the IEA Portal to manage account information, pre-approvals, and expenses. Associated forms may shift to a more automated process during this contract year. For assistance, please contact the IEA Team at IEA.Questions@tn.gov.

Disbursement and Expense Report Schedule for 2025-26 (Deadlines)



IEA expenses are due each quarter by midnight on the listed date. Any deadline falling on a weekend or state holiday will be extended to the next business day.

Expense Reporting Instructions

Account holders must complete all fields in each applicable expense section within the Expense Reporting tab within the [IEA Portal](#). If all fields for a listed expense are not completed, the expense will be considered incomplete, and the account holder will be notified by email for corrections.

Please note the following:

- Quarterly expenses are based on expenses and contributions that are posted to debit card statements, shown on ABLE TN Transaction Notices, or appear on Coverdell accounts. Purchases and contributions made near the end of the quarter that do not yet appear on financial documentation should be reported on the next quarter's expense report.
- If an account holder pre-pays for services (e.g. educational therapy), the account holder must report the amount prepaid on the expense for the quarter in which the IEA funds were spent *and* include a receipt detailing when the services were rendered in the expenses for the quarter in which the services were performed.
 - All expenses submitted should reflect only funds that are charged to the IEA account or funds that are contributed to an ABLE TN or Coverdell savings account (see below for more information). Personal funds used should never be reported.
 - The department may suspend and/or close an IEA account and remove a participating student if the department does not receive a complete expenses (including all receipts and supporting documentation) by the deadline, and all expenses spent in that quarter will be deemed misspent. If the account is closed, any funds remaining in the account will be forfeited and returned to the state treasurer.

Once the department receives an expense, the department will review all expenditures and coordinating receipts to reconcile for the next IEA payment disbursement. The IEA Team will contact the account holder if additional information is needed to verify that the IEA funds were spent in accordance with state law, rules, and procedures.

Please allow up to 45 calendar days for the department to review each expense; the IEA Team will notify the account holder if corrections are needed to an expense report. The approval status of expenses can be checked in the IEA Portal at any time. The next IEA payment will not be distributed until the department approves all expenses for the quarter.

If an IEA expense is not submitted by the required deadlines and/or is incomplete, there may be a delay in disbursement of the next IEA payment by at least one full payment cycle and possibly more payment cycles (depending on when the expense is approved). If IEA funds are misspent, funds may be pulled from the IEA or future IEA payments will be reduced by the amount of the misspent funds, the IEA may be suspended, and/or the student may be removed from the IEA Program.

Receipt Submission

All submitted receipts/invoices must include **all** the following information:

- date of purchase/service;
- name of provider/vendor (e.g., store name, name of the tutor/therapist who provided services to the student, etc.);
- description of item or service purchased (e.g., type of therapy provided, itemized list of fees for participating non-public school, list of months tuition payment is covering); **and**
- amount of purchase.

All invoices must have a zero balance or documentation showing that the invoice was paid. If an account holder fails to submit a valid receipt or invoice that includes all the required information, the expense will be considered a misuse of funds, and IEA funds will either be pulled from the IEA, withheld from future IEA payments, or if no longer participating in the program, the account holder will be required to repay the funds. Bank account statements do not qualify as receipts. The department encourages account holders to save digital copies of all receipts.

Note: Account holders are **not** required to report if \$0 was spent during a quarter.

Reporting Disallowed Expenses

If an account holder uses IEA funds to pay for non-approved expenses, the expenses are considered a misuse of funds. In this case, the account holder should immediately notify the department at IEA.Questions@tn.gov, **and** the account holder must report such expenses as a “Disallowed Expense” within the IEA Portal for the quarter in which the funds were spent.

In addition, the non-approved expenses must be repaid following the process outlined in chapter 4 of this handbook. **Pursuant to the rules of the State Board of Education, and in accordance with the procedures of the department, an account holder who misuses IEA funds can be subject to removal from the IEA Program.**

Chapter 8: Completing/Exiting the IEA Program

A student may exit the IEA Program in one of four (4) ways:

1. voluntary withdrawal – the account holder chooses to complete the [IEA Student Withdrawal Form](#) and withdraw the student from the IEA Program;
2. non-renewal of the IEA – the account holder chooses not to complete the department’s IEA renewal student application process or renew the *IEA Account Holder Contract* for the next school year;
3. completion of the IEA Program – the student exits the IEA Program because of the earlier of (a) or (b) listed below:
 - (a) he/she graduates from high school (including passing a high school equivalency credential approved by the State Board of Education), or
 - (b) he/she attains 22 years of age by August 15 (unless a Legacy Student renewal application is submitted to continue to spend any remaining funds as described in chapter 5); **or**
4. involuntary removal by the department – the student is removed from the IEA Program by the department.

If the student exits the IEA Program for any reason, **the account holder must notify the IEA liaison of the LEA in which the student resides** to provide notice that the student has exited the IEA Program. Account holders should also remember that as the IEA Program transitions to the IEA Portal, IEA forms may shift to a more automated process during this contract year. If the department determines that IEA funds were misspent, the department will notify the account holder detailing the requirement to repay those funds, including information regarding the appeals process, if applicable.

Important:

If an IEA is closed for any reason, any expenditures of IEA funds after the date of closure/withdrawal from the IEA Program is a misuse of funds. Account holders are prohibited from accepting refunds of any kind. Please see chapter 4 for more information on refunds and the prevention of misspent funds.

The department may refer cases of substantial misuse of monies to the Tennessee Attorney General’s Office or the State Comptroller’s Office for investigation and/or recoupment of outstanding funds.

Account holders should consider the following before choosing to withdraw a student from the IEA Program:

- The IEA Program has one enrollment application window each school year. If a student is withdrawn from the IEA Program, the student would be ineligible to enroll back into the IEA Program until the following school year, at which time the student would be considered a “New Student” and would be required to reapply and meet all IEA eligibility requirements at the time of application (eligibility requirements for new student applicants can be found on the [IEA website](#)).
- All students must meet the compulsory school attendance requirements set by law. Tennessee law, [T.C.A. § 49-6-3001](#), requires all children ages 6–17 (inclusive) to attend school. Certain children ages 6–17 may be temporarily excused from school attendance if they meet the exceptions outlined in [T.C.A. § 49-6-3005](#); however, the local board of education “shall be the sole judge in all such cases”.

- Upon withdrawing a child from the IEA Program, the account holder may choose to enroll the student in a public school, allow the student to remain enrolled in the non-public school the student is currently attending, or enroll the student in another non-public private or home school. If a student withdraws from the IEA Program and returns to a public school, the credits earned at the participating non-public school may not be accepted by the public school. **Participation in the IEA Program does not guarantee that credits earned at participating non-public and/or home school will transfer to a public school.** The transfer of credits shall be in compliance with [SBE Rule 0520-01-03-.03](#). Testing may be required to receive credit for courses. Parents should contact the LEA in which the student resides to determine if credits will transfer.

Enrollment in a Public School After Withdrawal from the IEA Program

If a student is withdrawn from the IEA Program, the student may return to public school. Upon a student's return to a public school, the following should occur:

- The student's IEA participating school must send the student's educational records to the public school in which the student enrolls; **and**
- The public school district that the student resides in must enroll the student and provide instruction in the **general education** curriculum.

If a student withdraws from the IEA Program and re-enrolls in public school, the public school district should provide the student with comparable services to the services listed on the student's most recent active IEP until a new IEP has been developed. Please note that the department has provided guidance to public school districts that students participating in the IEA Program should be marked as eligible for special education and related services. If the public school district has marked the student as eligible for special education and related services, but inactive due to participation in the program, then the public school district should convene an IEP meeting within thirty (30) days of the student's enrollment in the public school district to update the student's most recent IEP.

If the public school district still has the student marked as ineligible for special education and related services due to participation in the program, then the public school district must request parent/ guardian consent to conduct an initial evaluation for special education and related services. The public school district has sixty (60) calendar days to complete the evaluation and determine whether the student is eligible for special education and related services, and an additional 30 calendar days to develop an IEP. The student will continue to receive comparable services during this period.

Voluntary Withdrawal

An account holder may voluntarily withdraw a student from the IEA Program at any time during the contractual year for any reason. To withdraw a student from the IEA Program and close the IEA, the account holder must complete and submit an [IEA Student Withdrawal Form](#) to the department. Upon receiving the withdrawal form, the department will send the account holder written notice that the *IEA Account Holder Contract* has been terminated and that the student's IEA has been closed. Any balance of funds remaining in the account **on the date of the student's withdrawal from the IEA Program** will be withdrawn from the account and returned to the state treasurer.

In addition, the account holder must complete and submit final expenses, along with all supporting receipts and documentation, **within fourteen (14) calendar days of the withdrawal date**. Upon receiving the withdrawal form, the department will complete an audit of the account which will include a review of the required final expenses and supporting documentation. If the department determines that IEA funds were misspent, the department will notify the account holder detailing the requirement to repay those funds, including information regarding the appeals process, if applicable.

Non-Renewal of the IEA

Account holders may choose not to renew the student's enrollment in the IEA Program. If an account holder has not completed the department's IEA renewal student application process, including submission of all supporting documentation, by the stated deadline **or** does not sign a new *IEA Account Holder Contract* and supply all supporting documentation for the new contractual year, the student's IEA will be closed by the end of the IEA contract term. Any funds remaining in the IEA account will be withdrawn from the account and returned to the state treasurer.

Note: Non-renewal of an *IEA Account Holder Contract* is not considered removal from the program. A student may reapply to the IEA Program in the future if all program requirements were met during the contract year, the program's new student eligibility requirements are met, and there were no departmental findings of fraudulent or misuse of funds. Upon a student's exit of the IEA Program, the department will complete an audit of the account which will include a review of the final expenses, assessment requirements (if student is in grades 3-8), and supporting documentation.

Completion of the IEA Program

A participating student is no longer eligible to generate new IEA funding if either of the following occurs:

- The student graduates from high school. (Note: The student may continue to generate funds for the IEA until such time as he or she receives a high school diploma or receives a passing score on all subtests of a high school equivalency credential approved by the State Board of Education. Certificates of attendance do not constitute graduation from high school for the purpose of this Program); **or**
- The student reaches twenty-two (22) years of age. The student may complete the school year in which he or she reached the age of 22, provided the student does not turn 22 years old on or before Aug. 15, of that calendar year.

See chapter 5 of this handbook for more information on using remaining IEA funds for post-secondary expenditures and chapter 8 for more information about Legacy students.

Involuntary Removal by the Department

Pursuant to [SBE Rule 0520-01-11](#), the department may permanently remove any participating student from the IEA Program if the account holder fails to comply with the terms of the *IEA Account Holder Contract* or applicable laws, rules or procedures, or if the account holder misuses IEA funds.

If the department makes a determination to remove a student from the IEA Program, the department will complete the following:

- notify the account holder that the student is being removed from the IEA Program;
- suspend the funds in the IEA account; **and**
- provide no further fund disbursements.

If a student is removed from the IEA Program, the account holder must submit any final expenses to the department documenting all IEA funds expenditures since the last expense was submitted, along with all supporting receipts and documentation, by the deadline stated in the removal notice.

Possible Reasons for IEA Termination

Students may be removed from the IEA Program for reasons including, but not limited to:

- failure to comply with the terms of the *IEA Account Holder Contract* including applicable laws, rules, or procedures;

misuse of IEA funds;

- full-time enrollment in a public school (including public charter schools and public virtual education programs);
- failure to submit expenses and all required supporting documentation (e.g., receipts) by the deadlines set by the department;
- failure to provide a participating student's instruction in the areas of English language arts, mathematics, social studies, and science;
- failure to submit assessment verification to the department if the participating student is in grades 3–8;
- providing false information to the department (e.g., application, contract, bank form, etc.);
- fraudulent activity;
- failure to notify the department of any account changes within 7 calendar days of the change becoming effective; **and**
- failure to submit any required documents by the deadlines set by the department.

Appeal Procedures: Request for Reconsideration

In accordance with [SBE Rule 0520-01-11-.10](#), an account holder may appeal any department decision regarding the following determinations:

- determination of eligibility;
- determination of misspent IEA funds; **and/or**
- removal of the student from the IEA Program.

To appeal a department decision, the account holder must follow the appeal procedures outlined in chapter 2.

Chapter 9: IEA Participating Non-public Schools

Non-public School Application Process

To participate in the IEA Program and accept IEA funding from account holders for payment for tuition, fees, and/or textbooks, non-public schools must apply to the department, receive approval, and be placed on the approved list of IEA participating non-public schools. The *IEA Participating Non-public School Application* window is open year-round. Applications for Tennessee non-public schools to participate in the IEA Program must be completed and submitted by the school administrator, following the [instructions](#) posted on the [IEA webpage](#).

For the school to be considered for participation in the IEA Program, the application submission must include the following forms:

- A copy of the school's most recent tax return, a surety bond (electronic copy), or statement by a certified public accountant (CPA) (electronic copy) valid until the end of the fiscal year for which the school is applying (see the "Financial Viability" section below);
- a school calendar (for the school year the school is applying to participate in the IEA Program); **and**
- a list of all tuition and fees (for the school year the school is applying to participate in the IEA Program).

Financial Viability

Non-public schools must demonstrate financial viability to repay any funds that may be owed to the state by filing with the department 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:

- Provide a copy of the school's most recent tax return.
- 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 that the school has the capacity to enroll (identified in the school's application) multiplied by the amount of the average quarterly IEA award for the previous contract year. The bond must be signed by someone duly authorized to bind the organization to this agreement (e.g., the administrator of a non-public school) and valid through the end of the fiscal year for which the school is applying, **or**
- Submit a **statement** by a certified public accountant. If a school has been approved as a [Category I, II, or III](#) non-public school for five (5) years or more, in lieu of the surety bond, the school can submit a statement from 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 that the school has the capacity to enroll (identified in the school's application) multiplied by the amount of the average quarterly IEA award for the previous contract year. The CPA statement must be notarized and valid until the end of the fiscal year for which the school is applying.

By October 1 of each year, the IEA Program will post the amount of the average quarterly IEA award to be

used for these calculations in the next fiscal year. The [surety bond template](#), [CPA template](#), and annual amount are posted on the [IEA webpage](#).

Contract Year (July 1-June 30)	Multiplier for all surety bonds/CPA statements
2025-26	\$3,190
2026-2027 and beyond	Multipliers will be posted by October 1 each year.

Note: If at any time during the contract year, it is determined that the participating non-public school has enrolled more students than listed on their current application, an addended surety bond or CPA statement will be required.

Next Steps After the Application is Submitted

After the department receives a *Participating Non-public School Application*, the department will notify the school administrator via email that the application has been received. All emails will be sent to the email address listed on the school’s application.

The department will review the application/agreement and all supporting documentation and will notify the applicant of the approval/denial status. All approvals will be valid until the end of the fiscal year for which the school is applying. Please allow up to 30 calendar days for the IEA Team to complete the application review process.

If the department approves the school’s application to participate in the IEA Program, the department will include the school on the [list of participating non-public schools](#) for that school year posted on the department’s [IEA webpage](#).

Upon notification of approval to participate in the IEA Program, the participating school may begin accepting IEA funding from an account holder for payment of tuition, approved fees, and/or textbooks; school approval status ends upon the last date of the fiscal year (June 30), and the school may accept no IEA funds after this date unless the school has submitted an application and been approved to participate in the next fiscal year.

Inclusive Educational Setting

Non-public schools are not required to have an inclusive educational setting to participate in the IEA Program; state law does require that the department list which participating schools have an inclusive educational setting. The list of IEA participating schools is located on the [IEA webpage](#). For the purposes of the IEA Program, a participating non-public 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; **and**
- No more than 50 percent of the students in an individual classroom or setting are students with disabilities.

Reminder: Non-public schools are **not** required to have an inclusive educational setting to participate in the IEA Program; state law simply requires that the department indicate on the participating schools list which schools have an inclusive educational setting.

Participating Non-public School Rights

In accordance with [T.C.A. § 49-10-1406](#) and department procedures for the IEA Program:

- A participating school is autonomous and not an agent of the state or federal government.
- Neither the department nor any other state agency may regulate in any way the educational program of a participating non-public school that accepts funds from the account holder of a participating student.
- 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 non-public schools beyond those necessary to enforce the requirements of the program.
- A participating non-public school shall not be required to alter its creed, practices, admissions policies, or curriculum to accept participating students.
- Participating non-public schools shall be given the maximum freedom to provide for the educational needs of their students without governmental control.
 - Participating schools are not required to admit students enrolled in the IEA Program, and students must meet all requirements for admission set by the school.
 - Participating schools set their admission policies and tuition/fees. Participating schools may charge tuition/fees above the amount of the IEA award.

Participating Non-public School Responsibilities

In accordance with [SBE Rule 0520-01-11-.08](#), non-public schools participating in the IEA Program must, as part of their application to participate in the IEA Program, agree to the following:

- Provide the department with all documentation required for a student's participation, including the student fee schedules and a school calendar.
- Be academically accountable to the account holder for meeting the educational needs of the student and, at a minimum, annually provide to the account holder a written explanation of the student's progress.
- If the student is in grades 3–8, and if requested by the account holder, annually administer either a nationally norm-referenced test(s) identified by the department or the Tennessee Comprehensive Assessment Program (TCAP) tests, or any future replacements of the TCAP tests. See the "Assessments" section below.
- Comply with all health and safety laws or codes that apply to non-public 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 and rules of the [SBE Chapter 0520-01-11-.02\(7\)](#). See the “Criminal Background Checks” section below.
- Exclude from employment any person not permitted by state law to work in a non-public school and/or who might reasonably pose a threat to the safety of students.
- Allow students with an IEA to make their tuition payments according to the IEA disbursement schedule **without penalty**.
- If an account holder used IEA funds to make a payment to a participating non-public school for tuition, fees, and/or required textbooks, **all** of the following must be included on the itemized receipt:
 - name of the IEA participating school that matches the name on the list of IEA participating schools posted on the IEA webpage (only listing “tuition” or “non-public_school” is not acceptable);
 - itemized description/list of tuition and fees (e.g., class names, fee type);
 - date of service (e.g., dates for which tuition covered);
 - date of purchase; **and**
 - amount paid for the quarter with IEA funds.
- Be able to accept the IEA debit card as payment for approvable charges.
- Do not hold IEA debit cards and run them on site without the account holder present or copy IEA debit card information for use at a later date. Automated payments are permissible with the account holder’s permission and as allowed under the policies of the school. The auto draft arrangement is between the school and the account holder, and the IEA Program is not a party to this agreement and does not guarantee funds availability on the date of auto draft.
- Automatic payments are permissible with the account holder’s permission and as allowed under the policies of the school. The auto-draft arrangement is between the school and the account holder, and the IEA Program is not a party to this agreement and does not guarantee funds availability on the date of auto-draft.
- Do not accept public education funds for parentally placed private school students enrolled in the IEA Program. Enrollment in the IEA Program has the same effect as a parental refusal to consent to the receipt of services under the federal *Individuals with Disabilities Education Act* (IDEA) as described in 20 U.S.C. § 1414. Students may not simultaneously receive both IEA funds and public education funds for non-public placement. Upon enrolling in the IEA Program, a student’s individualized education program (IEP) is no longer valid, and the student has no individual entitlement to a free appropriate public education (FAPE) from any Tennessee local educational agency, including special education and related services, for as long as the student participates in the IEA Program. The student may, however, be entitled to equitable services through an individualized services plan (ISP).
- Annually submit to the department the graduation and completion rates of students in the IEA Program following the instructions provided by the department by the deadline posted on the IEA webpage. See the “Annual Graduation and Completion Rate” section below.
- Submit to the department a financial audit of the school conducted by a certified public accountant, if requested by the department and following the guidelines set by the department. See the “Audit” section

below.

- 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 department. Account holders 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 non-public school directly to the department for credit to the student's IEA account. Refunds must be received by the department within fifteen (15) calendar days of the student's withdrawal from the school. See below for more information on refunds.
- Upon a student's withdrawal from the school, send all educational records of the participating student to the school district or other school identified by the account holder. If a student transfers from a participating school, the school must provide the account holder copies of all the student's educational records within seven (7) calendar days of the transfer regardless of whether the account holder owes money to the school. If a school does not provide the records as required by this part, the department can remove the school from participating in the IEA Program.
- Do not send IEA accounts to collections to settle unpaid debts. All contracts entered are the responsibility of the private parties involved.
- Notify the IEA Program of any changes to the school's information after the *IEA Participating Non-public School Application* is submitted each year. See the "Updating School Information" section below.
- Agree to allow the department to conduct site visits. See the "School Site Visits" section below.
- Comply with all state laws, rules, and procedures for non-public schools.
- Comply with the SBE 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 Handbook*.

Important:

- The department does not endorse any school.
- The account holder is responsible for any contract entered into with a school and for ensuring that the terms of the contract are fulfilled. The department cannot void a private contract, give legal advice, or arbitrate payment schedules.

Criminal Background Checks

All participating non-public schools must comply with the criminal background check rules pursuant to [SBE Rule 0520-01-11-.02\(7\)](#). On the non-public school application form, the applicant must attest and provide evidence that the school complies with these rules.

What standards must the criminal background check meet?

A “criminal background check,” at a minimum, must include checks of the Tennessee Sex Offender Registry and the Abuse Registry of the Tennessee Department of Health. In addition, all participating schools must maintain documentation that any person providing instruction or services to participating students has undergone a fingerprint-based criminal history and 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*.

To ensure that this requirement is met, participating school administrators must complete all the following steps:

- **Step 1:** To comply with the **criminal background check requirements** of the IEA Program, the school administrator must maintain verification that all school employees have completed both of the following:
 1. Complete a fingerprint background check through the [Tennessee Bureau of Investigation \(TBI\)](#). The provider will need to have an Originating Agency Identifier (ORI) number issued by the TBI to request this background check. If any school employee does not have an ORI number, the school administrator will need to request one following the instructions on the TBI website; **and**
 2. Complete a fingerprint background check through the [Federal Bureau of Investigation \(FBI\)](#).
- **Step 2:** Once the school employee has completed both the TBI and FBI fingerprint criminal background checks, the school administrator must verify that the provider has never been convicted of a felony, including conviction on a plea of guilty, a plea of nolo contendere, or order granting pre-trial diversion. The administrator must search the following two registries and ensure that the employee does not appear on either:
 - [Tennessee Department of Health Abuse Registry](#); **and**
 - [Tennessee Bureau of Investigation Sex Offender Registry](#).

Student Assessment and Reporting

As required by state law, [T.C.A. § 49-10-1403I](#), if a student is in grades 3–8, the account holder must submit verification to the department indicating that the student has taken **either** a nationally norm-referenced test(s) approved by the department **or** the Tennessee Comprehensive Assessment Program (TCAP) tests, or any future replacements of the TCAP tests, in at least the subjects of English language arts (ELA) and mathematics. See chapter 3 for complete details.

If requested by the account holder, schools participating in the IEA Program must agree to administer one of the previously mentioned assessments. The school may charge account holders a fee to administer the assessment, and account holders 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 account holders.

If the school administers a norm-referenced test(s) to a student enrolled in the IEA Program, the school must provide the account holder 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 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 department 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 Test Administration Manual (TAM).

Note:

Failure of the account holder to submit a *Student Assessment Verification Form* and copies of the student's assessment score report or proof of exemption, if applicable, by the deadline set by the department can result in the removal of the student from the IEA Program and prohibition from participating in the IEA Program in the future.

An extension to the annual IEA student assessment requirement deadline for students in grades 3-8 may be available if the approved norm-referenced assessment is administered by a non-public school and the account holder submits a signed statement from the non-public school on school letterhead listing:

- the student's name who participated,
- the norm-referenced assessment(s) administered,
- the dates the assessment(s) was/were administered,
- the dates the score reports are expected, and
- an assurance that score reports will be provided to the account holder for submission to the IEA Program by an identified date.

This signed statement must be submitted to the IEA Program before the annual deadline.

Equitable Services for Participating Students

Like all other students with disabilities attending non-public schools, students participating in the IEA Program are eligible to receive equitable services through an individualized service plan (ISP) from the local education agency (LEA) serving the area where your school is located. See 34 C.F.R. § 300.132. As a non-public school, you may already be familiar with this process. Please see the [Frequently Asked Questions \(FAQs\) - Serving Students with Disabilities](#) document for detailed information.

Annual Graduation and Completion Rates

Annually, participating schools must submit to the department the graduation and completion rates of grade 12 students in the IEA Program using the [Participating Schools 12th Grade Students Graduation and Completion Form](#) provided by the department. The completed form must be received by the department no later than **June 1**.

Participating schools must report all grade 12 students who participate in the IEA Program as one of the following: graduated, completed, withdrew from the school, repeating grade 12, or “other” with an explanation.

- Participating schools will define *graduation* as a student who has received a regular diploma.
- Participating schools will define *completion* as a student who has taken and passed a high school equivalency credential approved by the State Board of Education.
- Participating schools will define *withdrawal* as a student who did not receive a regular diploma and is not returning for additional years until the age of 22.
- Participating schools will define *repeating grade 12* as a student who completed grade 12 without a regular diploma and will continue for the next school year.

Audit

The department may require participating schools to submit to the department 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 department to be expended in a manner inconsistent with this part shall be returned to the state.

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, or phone number, the school shall report the changes by emailing IEA.Questions@tn.gov. Schools must notify the department within fifteen (15) calendar days of the change taking effect. Failure to provide this information to the department within fifteen (15) calendar 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.

Note:

Any deadline or listed date falling on a weekend or holiday will be extended to the next business day.

School Site Visits

To participate in the IEA Program, non-public schools must agree to allow the department 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.

Suspension and Revocation of a Participating School

The department 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 any of the IEA law, rules, or department procedures.

Definition: The term “owner or operator” includes an owner, operator, superintendent, principal, or administrator (or a person who has equivalent decision-making authority over) of a non-public school participating in the IEA Program.

The department may deny, suspend, or revoke a school’s participation in the IEA Program if the department determines that an owner or operator of the school is operating or has operated a company/organization/educational institution in this state or another state or jurisdiction in a manner contrary to the health, safety, or welfare of the public. In making such a determination, the department 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 or Education Savings Account (ESA) Programs or similar programs in other states; an owner’s or operator’s failure to reimburse the department 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.

The department 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:

- an imminent threat to the health, safety, or welfare of the students; **and/or**
- fraudulent activity on the part of the school; in incidents of alleged fraudulent activity pursuant to this section, the department is authorized to release personally identifiable records or reports of students to the following persons or organizations:
 - 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. § 1232g;
 - 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. §. 1232g; and/or
 - 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. § 1232g; 34 C.F.R. § 99.31.

For a determination of non-compliance, the department will send notice, via email, to the school administrator which includes any findings of non-compliance along with proposed actions. If the finding of non-compliance is correctable within a reasonable amount of time and if the health, safety, or welfare of the students is not threatened, the department may issue a notice of non-compliance which provides the school with a timeframe within which to provide evidence of compliance before the department takes further action to suspend or revoke the school’s participation in the IEA Program.

- 1) If the department issues a notice of noncompliance:
 - a) the school administrator shall be given a reasonable period from the date of the notice, as determined by the department, to demonstrate compliance; and
 - b) 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 department.
- 2) If the department issues a notice of proposed action denying, suspending, or revoking a school's participation:
 - a) the notice shall state the reasons for the action; and
 - b) the notice shall specify the school's right to appeal.

If the department suspends or terminates a school's participation, the department shall notify affected participating students/account holders of the decision. If a participating school is suspended or withdraws from the IEA Program, affected participating students remain eligible to participate in the IEA Program via another participating school or a home school option approved by the department. Any department order of suspension or termination may be appealed pursuant to the appeals procedures in the rules of the [SBE Chapter 0520-01-11-.10](#) (see section below).

Appeal Procedures: Request for Reconsideration

In accordance with [SBE Rule 0520-01-11-.10](#), a participating school may appeal any department decision regarding the school's suspension or termination from the IEA Program. To appeal a department decision, the administrator of the participating school must complete the following:

- **Step 1:** Step One appeals shall be reviewed by the Commissioner or the Commissioner's Designee. Step One appeals must be submitted to the department within fourteen (14) calendar days of the department electronically sending the determination that is being appealed. The day that the department sends the determination shall not count as part of the fourteen (14) calendar days. To file a Step One appeal, complete the Step One [Appeal Form for Participating Schools](#) posted on the [IEA webpage](#), and email the completed form to IEA.Questions@tn.gov. Appeal forms submitted after the deadline, incomplete appeal forms, or appeal forms with vague language that does not clearly articulate the issue on appeal will not be reviewed. The department shall make a determination and issue an electronic notification to the appealing party within forty-five (45) calendar days of receiving the Step One appeal.
- **Step 2:** If the department denies the Step One appeal, the appealing party may file a Step Two appeal. Step Two appeals shall be reviewed by an administrative law judge in accordance with the procedures set forth in the *Uniform Administrative Procedures Act*, [T.C.A. § 4-5-301 et seq.](#) Step Two appeals must be submitted to the department within thirty (30) calendar days of the department electronically sending the Step One determination. The day that the department sends the Step One determination shall not count as part of the thirty (30) calendar days. To file a UAPA appeal, please complete the [UAPA Appeal Form](#) posted on the [IEA webpage](#). After the UAPA appeal 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.

Refunds

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

All refunds to account holders should be placed back on the IEA account by the school. If the school official is unable to refund the funds directly back to the IEA debit card, the school official must mail the department a certified check or money order matching the amount of the refund. All such refunds must be returned by the school directly to the department for credit to the student's IEA account and received by the department **within fifteen (15) calendar days** of the service being canceled or the student's withdrawal from the school. Checks or money orders should be made payable to the *Tennessee Department of Education*. With the check or money order, the school official must include a letter with the student's name, the account holder's name, and the reason the funds are being returned to the state.

Mail the check and letter to:

Tennessee Department of Education
Attn: Finance and Administration/ Education Central Accounting
Andrew Johnson Tower, 10th Floor
710 James Robertson Parkway
Nashville, TN 37243

School Renewal

Annually, participating school administrators must complete and submit a new application to the department, along with all supporting documentation, and be approved to continue to participate in the IEA Program for the next school year. *Participating Non-public School Applications* are accepted year-round. To renew participation in the IEA Program, participating school administrators should plan to submit applications and supporting documentation each spring for the upcoming school year.

IEA Program Contact Information:

For questions or additional information about the IEA Program, please [contact a member of the IEA team](#) directly or email IEA.Questions@tn.gov.