



Individualized Education Account (IEA) Program

2024-25 Account Holder Handbook

Tennessee Department of Education | July 2024–June 2025

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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.

Funding for the IEA Program is determined in accordance with [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.

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)**: a public board of education or other public authority legally constituted for either administrative control or direction of, or to perform a service function for, public elementary schools or secondary schools in a city, county, township, school district, or other political subdivision of a state.
- **“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(a)(1).
- **“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 under the supervision of the school's director. *See* T.C.A. § 49-6-3050(a)(2).
- **“private school”**: primarily funded through school tuition paid by families and private donations from individuals and organizations.

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 this handbook is subject to changes at any time necessary 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 for the first time 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 the 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 2024-25 contractual term of the IEA is projected to begin on July 1, 2024, and end on June 30, 2025. 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, 2024, and receive future disbursements from the IEA Program for the 2024-25 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 IEA liaison of the LEA in which the student resides. Contact information for LEA liaisons for the IEA Program is posted on the [IEA webpage](#).

School Options for Students Enrolled in the IEA Program

A participating student must enroll in and attend either a non-public school, a home school umbrella program, or an independent home school that meets the requirements of the department, including the requirements of Tennessee's school attendance law ([T.C.A. § 49-6-3005](#)). Students enrolled in the IEA Program are eligible to use IEA funds for the approved expenses detailed in chapter 5 of this handbook; however, 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 listed on the IEA program's participating non-public schools list for the IEA contract year. A list of participating non-public schools for the IEA Program is posted under "Resources" on the [IEA webpage](#). A student may not attend a public school and have an IEA at the same time. 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 and through a monthly *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 the IEA team by leaving a voicemail at **(615) 253-3781** or by sending an email to IEA.Questions@tn.gov.

Future of the IEA Program

Account holders should be advised that the IEA Program is transitioning to an online platform to manage account holder information, pre-approvals, and expense reports. 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: Rights and Responsibilities

Parent and Student Rights Retained in the IEA Program

- While a student participating in the IEA Program does not retain the right to receive special education and related services through an Individualized Education Program (IEP), the participating student does retain the right to continued eligibility for special education and related services and the right to receive equitable services through an Individualized Services Plan (ISP). **Enrollment in the IEA Program does not result in automatic non-eligibility determinations. Eligibility decisions are made solely by the student's IEP team.**
 - Please note that the department has informed school districts that students participating in the IEA Program should continue to be marked as eligible for special education and related services, but inactive due to participation in the Program. If a student has previously been determined ineligible for special education and related services solely because he or she is participating in the IEA Program, please be aware that the department has requested the school district in which the student resides to reach out to the parent/guardian and request permission to evaluate the student for special education and related services. Please be aware that the parent/guardian can also request an evaluation. Ensuring that the student has been evaluated and is eligible for special education and related services will assist the student in securing an ISP from the school district and will make reenrolling the student in public school easier should the parent/guardian ever choose to do so.
 - The student's special education eligibility should be reevaluated at least every three years. If the parent fails to make the student available for the reevaluation, the district may meet to determine that student no longer eligible under the *Individuals with Disabilities Education Act* (IDEA).
- If a student resides within the geographic boundaries of one LEA, but attends a non-public school within the geographic boundaries of another LEA, a parent/guardian may request a reevaluation from either LEA. The department encourages parents/guardians to only request a reevaluation from one LEA at a time.
 - If interested in a student returning to public school and receiving a Free Appropriate Public Education (FAPE) through an IEP, the department encourages parents/guardians to request a reevaluation from the LEA in which the student resides.
 - If interested in a student staying in the non-public school and receiving equitable services through an Individualized Services Plan (ISP), the department encourages parents/guardians to request a reevaluation from the LEA in which the non-public school is located.
- The account holder has the right to withdraw the student from the IEA Program at any time, following the procedures in chapter 8 of this handbook, and enroll the student in a public or non-public school independent from the Program. Before re-enrolling in public school, account holders must notify both the department and the LEA to provide information that the student intends to withdraw from the IEA Program. Please see chapter 8 for detailed information on these requirements.

Parent and Student Rights Waived in the IEA Program

By signing the *IEA Account Holder Contract* and accepting IEA funding, account holders acknowledge the following:

- The student will have no individual entitlement to a Free Appropriate Public Education (FAPE). Participation in the IEA Program has the same effect as a parental refusal to consent to the receipt of specially designed instruction and related services pursuant to the *Individuals with Disabilities Education Act* (IDEA) at 20 U.S.C. § 1414. The student's individualized education program (IEP) is no longer in effect, and the LEA will not be required to provide accommodations or services listed in the IEP.
- The LEA in which the student was previously enrolled is not obligated to provide special education or related services to the student during the term of the IEA. While in the IEA Program, the student may be entitled to equitable services through an individualized services plan (ISP). The student's IEP will be reactivated upon returning to public school.
- Participating non-public schools are not required to provide special education services for the student.
- Students participating in the IEA program cannot enroll full-time in a public school or enter into a contract with another school choice scholarship/voucher 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. § 49-6-3005](#)); **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 expense reports 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 expense reports 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 expense reports 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 July 15, 2024, 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) test(s), 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 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 report, 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 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 following the procedures in chapter 8.

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 a complete Quarterly Expense Report form, with receipts, by the deadlines set by the department;
- for students in grades 3-8, failure to submit proof that the participating student has completed the IEA program assessment requirements and to submit a complete 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).

Students Reaching the Age of Majority

Unless there is a legal determination 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:

- The student will serve as his or her own account holder.
- 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 hold, the individual must submit documentation of a valid power of attorney or conservatorship indicating that the following rights have been transferred from the student to the individual:
 - 1) The right to make educational decisions regarding placement and participation of the student in the IEA Program; **and**
 - 2) The right to make banking and financial decisions and transactions as limited to management, control, and access of the IEA.

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

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)
- student's grade level
- 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 an online platform, 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 online platform, 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); **and**
- a [W-9 form](#) listing the account holder's name (not spouse's name or student's name) and physical address.

Name changes:

Until notified of any updates due to the transition to the online platform, if the account holder'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., marriage license, current driver's license); **and**
- a [W-9 form](#) listing the account holder's name and physical address.

Grade level changes:

If the student's grade level changes from what was reported on the New Student or Renewal Student applications, the account holder must submit the [Account Holder and Student Information Update Form](#) along with the following documentation, until notified of any updates due to the transition to the online platform:

- a letter from the home school coordinator in the LEA listing the grade level of the student; **or**
- a letter from the non-public school that the student attends stating the grade level of the student.

Note: A grade level change through a non-public entity does not affect assessment requirements, which are based on the grade level maintained by the local public school (see chapter 3 of this handbook).

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.

Required Notice of LEA Change

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.

Required Notice of 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 [Notice of School Transfer Form](#) and providing the supporting documentation requested on the form. (Account holders will be notified when the process changes due to the transition to the online platform.) 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 a home school to a non-public school or from a non-public school to a home school.

Note:

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

The IEA account holder must also notify the IEA district liaison within seven (7) calendar days from the date the student’s residence changed.

Late Reports and Non-Submittal of Requested 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;
- expense reports and receipts;
- assessment verification form and score report (or proof of exemption, if applicable);
- student/parent 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.

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 in the debit card account, 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 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.

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 three determinations:

- a denial of determination of eligibility;
- a denial of an expense paid using IEA funds; and/or
- 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 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](#) 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 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, 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 online platform, submit the required *Student Assessment Verification Form* and any 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 Waiver*) to the department by the required deadline; **and**
- By July 15, 2024, provide written notice to the LEA in which the student resides that the student is renewing the IEA.

Chapter 3: Student Assessment and Reporting

As required by state law, [T.C.A. § 49-10-1403\(e\)](#), if a student is in grades 3–8, the account holder must annually 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).

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.

Educational Setting	Requirements	TCAP tests (or any replacement tests)	Other department-approved norm-referenced assessments
Independent Home School Students	In addition to IEA requirements, independent home school students are required to follow state law regarding state testing. Students must register with their local school district and are required by law to take either the same TCAP tests administered to public school students or take alternative standardized tests administered by a professional testing service in grades 5, 7, and 9. See Tenn. Code Ann. § 49-6-3050(b)(5) . While LEAs are obligated to test independent home school students in grades 5, 7, and 9, LEAs have the option to grant parent requests to test with TCAP in other grades.	Account holders may contact the LEA with which the student is registered to schedule the TCAP assessment.	Depending on which test the account holder chooses, the test could be ordered directly from the testing company, taken online when applicable, or administered through a local testing center.
Umbrella Home School Students	The TCAP assessment is not available to these students. Umbrella home school students must take a department-approved norm-referenced assessment.	Umbrella school students cannot take the TCAP.	Depending on which test the account holder chooses, the test could be ordered directly from the testing company, taken online when applicable, or

			administered through a local testing center.
Private School Students	The LEA is not able to test these students under TCAP. TCAP is available for non-public students if the non-public school in which the student is enrolled administers the testing. Non-public schools can administer just the ELA and math portions of TCAP as each subject is considered a separate test. Students enrolled in a Category I non-public school must take a nationally standardized achievement test covering the areas of English language arts and mathematics in grades 3-11, as required by SBE Rule 0520-07-02-.02(3)(c)(4) .	Account holders may contact the student's non-public school to request that the test be ordered from the department, and the non-public school will administer the TCAP test.	Account holders should contact the student's non-public school to inquire if the school can order and administer the test. Depending on which test the account holder chooses, the test could be ordered directly from the testing company or administered through a local testing center.

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 listed 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? <input checked="" type="checkbox"/> 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 checked="" type="checkbox"/> Tennessee Alternate Assessment
<input type="checkbox"/> WIDA Access	<input type="checkbox"/> WIDA Access (Alternate)	
<input type="checkbox"/> ACT	<input type="checkbox"/> EXPLORE	<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 must 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 when the process changes due to the transition to the online platform

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 Approved Norm-referenced Tests

Students may participate in any of the following norm-referenced achievement tests approved 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

Definition:

Norm-referenced refers to standardized tests designed to compare and rank test takers in relation to one another. Norm-referenced tests report whether test takers performed better or worse than a hypothetical average student, determined by comparing scores against the performance results of a statistically selected group, typically of the same age or grade level, who have already taken the exam.

Account holders may submit a request to the department for approval of additional norm-referenced assessments. The request should be emailed to IEA.Questions@tn.gov and should include the following:

- the name of the requested assessment;
- the name of the assessment vendor; and
- a web link to the assessment vendor's website where a description of the assessment is posted.

Requests for a norm-referenced test that is not currently included on the department's list of approved norm-referenced test options must be submitted each year for the student. Upon written request, the department will review any request to approve 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 as early as possible in the school year to ensure that the department has time to review and approve 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 test.

Required Assessment Verification

Account holders must submit annual verification 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 participation in the Tennessee Alternate Assessment.

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 online platform, 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 copies 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**

- student's demonstrated progress on the assessment (e.g., the test score) in 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 student's 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 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.

Chapter 4: Access to IEA Funds

Account holders will receive access to their student's IEA funds (state and local public education 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 chapters 5 and 6 of this handbook.
- All IEA fund expenditures must be reported to the department within established deadlines, and all invoices/receipts submitted with the required quarterly expense reports must match the quarter that the services are provided. See chapter 7 for detailed information on completing expense reports.
- 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.

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).

Account holders with multiple students participating in the IEA Program will receive a 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 upon receipt of the debit cards. Debit cards are issued regardless of ABLE TN participation (see chapter 5).

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.

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 will be considered 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.

Resource:

The IEA debit cards are mailed to account holders by Conduent, not the department. If the debit card is lost or destroyed, the account holder must contact Conduent's customer service line to request a new debit card. To contact Conduent, please call **1-855-462-5889**.

Please Note: If a debit card is not received within **30 days** of signing the *IEA Account Holder Contract* or requesting a new debit card, the **account holder should contact IEA.Questions@tn.gov for assistance.**

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.

Resource:

If the debit card is declined, please contact **Conduent, 1-855-462-5889**.

If Conduent states that the card is declined due to a Merchant Category Code (MCC) restriction, please contact the IEA team at IEA.Questions@tn.gov.

Please Note: If using third-party payment networks such as PayPal, Square, and Venmo, the account holder will need to contact the IEA team at IEA.Questions@tn.gov to have the transaction pre-authorized. The account must have a minimum of \$20.00 in funds at the time of pre-authorization for restricted third-party vendors.

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: Department Controller
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 2024-25 IEA funding disbursements are listed below, in chapter 7 of this handbook, and are also posted on the [IEA webpage](#).

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

Account holders may sign up for automatic notifications of deposits at www.GoProgram.com by following the instructions included with the debit card. Quarterly IEA expense reports are due on Oct. 1, Jan. 1, April 1, and June 30 each year. Regular reminders will be sent to the account holders. **IEA account holders who submit expense reports 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 listed on the expense report will be considered misspent.** If the department determines that IEA funds are misspent due to failure to timely submit quarterly expense reports and/or other misuse of IEA funds, future IEA disbursements will be reduced by the amount of the misspent funds or current IEA funds will be withheld. Any questions may be directed to IEA.Questions@tn.gov.

IEA Funds – 50% Spending Requirement

Account holders are not required to spend all the IEA money received each 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 by the deadline for submission of the last expense report of each contract year, [SBE Rule 0520-01-11-.04\(6\)](#). 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 will not be considered when determining if the 50% spending requirement is met. The date of the final expense report can be found [here](#).

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 report 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 report, 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.

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.

Note:

The amount of funds spent from the account on approved IEA expenses must be greater than or equal to 50% of the total annual award by the deadline established by the department for the submission of the final expense report. This means all approved purchases to be counted toward the 50% spending requirement must be posted to the IEA debit card by the end of the IEA contract year.

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).

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 withdraw funds, if funds exist, directly from the IEA debit card account to cover the amount of the misspent funds determination **or** 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 in this chapter of this handbook. Pursuant to Section 7 of 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 debit card 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 in the "disallowed expenses" section on the expense report for that reporting period. Misspent fund amounts will be pulled from the IEA or withheld from the next disbursement. If funds are misspent, and the IEA is not renewed or the student withdraws from the program, the account holder is personally responsible for repayment.

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.

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, withdraw existing funds from the 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.

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: Department Controller
Andrew Johnson Tower, 10th floor
710 James Robertson Parkway
Nashville, TN 37243

Chapter 5: Approved Use of IEA Funds

The IEA 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 2024-25 participating year. The IEA Program is direct payment only; **the IEA Program will not reimburse account holders for any personal funds spent.** The following table includes a description of approved IEA Program expenses. Account holders should be advised that the IEA Program is transitioning to an online platform to manage pre-approvals and expense reports. 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 - individual or Form - facility)
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 - individual or Form - facility/clinic)
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; however, they can if they’re uncertain about the purchase. If the curriculum is an expense associated with an online learning	Sometimes (Form)

Approved Expense Category	Expense Qualifications	Requires Pre-Approval or Affidavit
	program or course, the purchase must have pre-approval through the form.	
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 any software at any time. 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 <i>the Participating Schools Required Textbooks Affidavit Form</i> to the department before submitting the expense report. Post-secondary institutions may require students to purchase textbooks as part of their normal educational expenses. To use IEA funds to pay for textbooks, account holders must submit the <i>Post-secondary Institution Required Textbooks Affidavit Form</i> .	Yes (Participating K-12 Schools Form; Post-secondary Institution Form)
Tuition/Fees for Online Learning Programs/ Courses	These fees cover individual courses provided by a virtual education program or other online learning programs. 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	Tuition and fees must be used for the sole benefit of the participating student at a Tennessee community college, College of	No

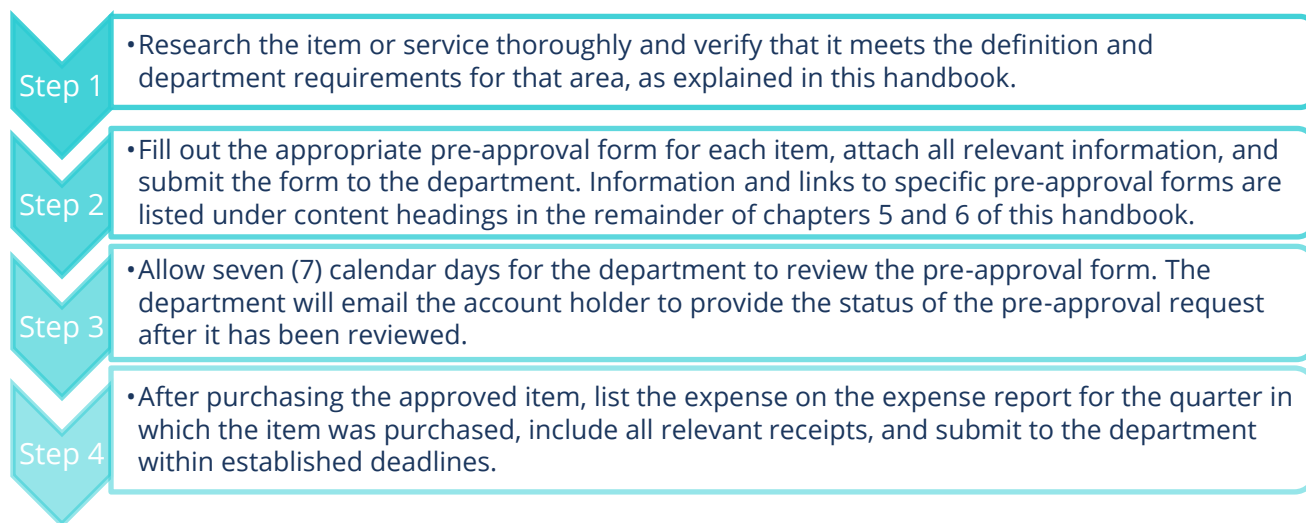
Approved Expense Category	Expense Qualifications	Requires Pre-Approval or Affidavit
Institutions	Applied Technology, university included in the University of Tennessee system, locally governed state university within the Tennessee Board of Regents system, or an accredited private post-secondary institution.	
Transportation	Defined as fees for transportation paid to a fee-for-service (i.e., commercial) transportation provider. Transportation fees may only be used for 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)

Note:

In accordance with the state rules and procedures for the IEA Program and this handbook, the department has the authority to suspend funds in the debit card account, close the account, and/or withdraw funds from the account, for reasons including, but not limited to misuse of IEA funds, failure to receive required pre-approval for certain purchases, or fraudulent use of IEA funds.

Required Pre-Approvals: Basic Instructions

Most pre-approvals expire one calendar year from the date of approval; *however, pre-approvals for tutoring and/or therapy 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.* 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](#). In addition, for more information on the approval process for participating schools, including rights and responsibilities, the *IEA Non-public School Handbook* may also be found 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.
- IEA funds **cannot** be used to pay for tuition or fees for home school umbrella programs/schools *unless* the program/school is listed as an approved IEA participating school on the IEA webpage.
- IEA funds **cannot** 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 listed as an approved IEA participating school on the IEA webpage (see the section below for online course restrictions).

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 report, 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 report, the funds will be considered misspent.

Allowed Fees – Participating Non-public Schools

While tuition may be straightforward, fees are not. 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 report.

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, etc.);
- computer lab fees;
- 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 test(s) 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).

Disallowed Fees – Participating Non-public Schools

IEA funds may not be used to pay fees for:

- athletics or extracurricular activities unless the activity is required for enrollment in the participating school;
- supply fees which include consumable items or materials; **or**
- fees associated with before- and after-school care, field trips, or clothing items.

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 the [Participating Schools Required Textbooks Affidavit Form](#) to the department before submitting the expense report. Purchases of required textbooks, including e-textbooks, from a retail source must be reported on an [IEA Expense Report](#), and an itemized receipt must be submitted with the expense report. (Please see chapter 7 for detailed instructions for filling out expense reports.) Account holders are not required to submit a *Textbooks Affidavit Form* if the school is providing the textbooks and

charging the account holder a textbook fee.

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

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 unless the curriculum is purchased for an online learning program or course, as explained in chapter 5 of this handbook.

Account holders may only use IEA funds to purchase curricula for the sole benefit of the student enrolled in the IEA Program. **Account holders may only use IEA funding to purchase supplemental materials if the supplemental material is required by the curriculum.** Account holders will be required to provide evidence (submitted with the expense report for the quarter in which the item was purchased) that supplemental material is required by the curriculum.

Examples of Allowable Supplemental Materials (when required by the curriculum)	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 curriculum 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.

Reselling Curriculum

It is unlawful for an account holder, or a third party, to financially benefit from the sale of any product purchased using funds distributed by the IEA Program. All IEA funds are solely approved for the educational use and benefit of a student enrolled in the IEA Program. Resale of items purchased with IEA funds is considered a violation of the *IEA Account Holder Contract* and as such may be referred to the Tennessee Attorney General’s Office for investigation and/or the student’s removal from the IEA Program.

Account holders may, after two years, 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.

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 [State Board of Education 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:

Laptop	Desktop computer	Tabletop printer	Electronic pencil/pen (e.g., Apple Pencil)
Headphones	Speakers	iPad/tablet device	Hearing aids

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 item was purchased. For example, if an account holder purchases a laptop with IEA funds on October 19, 2022, the account holder will not be able to use IEA funds to purchase another laptop until October 20, 2024. The department reserves the right to make exceptions to this procedure for reasons including, but not limited to, if the account holder provides sufficient documentation to prove that the original item purchased was stolen or was damaged to the point it could not be used.
- If an approved device is no longer functioning, the account holder may be required to submit a repair estimate to the department for review.
- 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.

Instructions for 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 may 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 on an *IEA Expense Report* for the quarter in which the test was paid, and an itemized receipt must be submitted with the report to qualify as an approved expense.

Psychoeducational assessments do not meet the definition of approved testing fees; however, if a therapist who has been pre-approved by the department provides a psychoeducational assessment, the assessment fees **may be** considered an approved expense *as a part of the educational therapy*.

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. This applies to individual courses students may participate in which are offered by an online learning program. 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.

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.

Please note the following regarding Online Learning Programs/Courses:

- 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 tuition and fees for home school umbrella programs/schools unless the program/school is listed as an approved IEA participating non-public school on the IEA webpage.
- IEA funds cannot be used to pay for visual or performing arts classes or lessons, online or in-person, (e.g., music lessons, dance classes, drama camp, etc.) or supplies/equipment for those activities (e.g., musical instruments, theater props, art supplies, etc.).
- IEA funds cannot be used to pay for online learning program family memberships.
- Online learning program subscriptions must be in the name of the account holder or the student enrolled in the IEA Program. IEA funds can be used to pay for online program memberships for up to one year so long as the membership is for the student's part-time enrollment and the membership period is during the IEA contract period. If using IEA funds to subscribe to a family online learning membership for multiple students enrolled in the IEA Program, the payments must be split between the participating students and listed correctly on the expense report.

Example: If the purchase of a family membership for 123 Online Program is \$60 for three students to use, but only one of the students is enrolled in the IEA Program, only \$20 would be approved for use of IEA funds. On the IEA expense report for that quarter, the account holder would need to list the \$20, attach the receipt, and then explain in the open comments section that the payment was split. See chapter 7 for more information on expense reporting.

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. IEA funds may be used to pay tuition and fees required by the public school district to participate in extracurricular activities but cannot be used to purchase commodities (such as uniforms, musical instruments, etc.). 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 debit card. 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. For more information on allowances and procedures for non-public students regarding participation in public school extracurricular activities and athletic programs, please visit [Education Choices in Tennessee](#) on the department's webpage.

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 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:
<https://www.tn.gov/education/students/early-postsecondary/dual-enrollment.html>

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 unspent IEA funds for up to four (4) consecutive subsequent years after the student's high school graduation or 22nd birthday, 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

While tuition may be straightforward, fees are not. 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 report (see chapter 7 for detailed information on filling out expense reports). IEA funds cannot be used to pay for room and board fees or meal plans.

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 a [Post-secondary Institution Required Textbooks Affidavit Form](#). This form does not endorse any products, providers, services, etc., but assures that the textbooks listed are required by the post-secondary institutions. A *Post-secondary Institution Required Textbooks Affidavit Form* must be submitted to the department for *each* required textbook.

In addition, purchases of required textbooks must be reported on the *IEA Expense Report*, and an itemized receipt must be submitted with the expense report. However, *optional* textbooks for coursework should be reported under the curriculum section of the expense report. See chapter 7 for detailed information on filling out expense reports.

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); or
- Tennessee Colleges of Applied Technology (TCAT).

Tuition, approved fees, and/or required textbooks for a participating student for dual-enrollment or higher education coursework may also be paid with IEA funds at a private post-secondary institution accredited by one of the following:

- any accreditation division of [Cognia](#) (formerly AdvancED):
 - [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 transportation to/from schools and educational providers (including tutors and therapists) or for transportation fees paid to a participating school for the same reasons.

IEA funds **cannot** be used to pay for transportation expenses including, but not limited to, the following:

- transportation provided by the account holder, a family member, or a friend;
- transportation provided by another non-commercial transportation provider;
- gas or carpooling services;
- automobile payments; or
- transportation to or from anywhere other than school or an educational provider.

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. An ABLE TN account must be opened in the name of the eligible student who is enrolled in the IEA Program (i.e., the student must be the Designated Beneficiary on the ABLE account). Up to \$18,000, 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 each year. Additionally, contributions to ABLE TN accounts count toward the 50 percent of IEA funds that must be spent each year. 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 \$18,000 limit. The IEA program should be notified at IEA.Questions@tn.gov when total contributions are \$5,000 from the \$18,000 max. When the account holder reports total contributions of \$13,000, the IEA program will monitor the next disbursement and allocate funds to the account holder's debit card as needed to ensure that the \$18,000 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 www.abletenn.com. 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. Recurring contributions will be withheld from each IEA payment disbursement and cannot exceed the amount of the IEA annual award for the contractual year.
 - Please note the following: Account holders must choose to receive their quarterly disbursements by debit card or ABLE contribution.
 - The IEA team will approve ABLE TN contribution requests within 30 calendar days. However, the department 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 in check form 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 notify the IEA team by email IEA.Questions@tn.gov. Requests made within 2 weeks of disbursements may be delayed to the following disbursement.
- **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 next [IEA Quarterly Expense Report](#), 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. ABLE contributions should only be reported after they have been deposited into the ABLE TN account. If the account holder cannot provide proof that the IEA ABLE TN contribution check was deposited within the IEA expense reporting period prior to the expense report submission deadline, the funds must be reported on the *next* quarterly expense report. See Chapter 7 of this handbook for detailed information on submitting IEA expense reports.

Note:

IEA funds must be deposited into the IEA portion of the ABLE TN account ending in -02. IEA contributions cannot be deposited in the ABLE TN online account portal, but must be mailed to ABLE with a completed [IEA Contribution Form](#).

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.

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. Contributions to a Coverdell account count toward the 50 percent of IEA funds that must be spent 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 on the next [IEA Quarterly Expense Report](#), and upload a copy of the deposit confirmation from the financial institution as the receipt. The confirmation must show that the funds have been deposited into the Coverdell account. Coverdell contributions should only be reported after they have been deposited into the Coverdell account. If the account holder has not received an outstanding IEA Coverdell contribution check by the expense report submission deadline, the funds must be reported on the *next* quarterly expense report. See chapter 7 of this handbook for detailed information on submitting IEA expense reports.

Note:

Account holders choosing to open ABLE TN and/or Coverdell accounts in order to meet the statutory 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.

Resource:

For information on Coverdell accounts, please visit: <http://www.irs.gov/publications/p970/ch07.html>

Disallowed IEA Expenses

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

- **Furniture:** (e.g., desks, chairs, workstations, teaching carts, storage cabinets, etc.)
- **Consumables:** (e.g., educational supplies such as paper, pencils, pens, markers, crayons, erasers, folders, glue, backpacks, etc., unless purchased as part of a complete curriculum set that has received prior approval from the department; magazine subscriptions, unless required as part of the educational curriculum of a non-public school; food or meal plans; etc.)
- **Medical-related items and services:** (e.g., medicines and/or supplements, medical services, acupuncture, nutritionists, etc.)
- **Some experiences:** (e.g., field trips, extracurricular fees, athletic fees, etc., unless required to attend a participating school and/or paid through a contract with a public school/district)
- **Certain services:** (e.g., tuition and fees for home school umbrella programs/schools unless the program/school is listed as an approved IEA participating school; yoga; before- and after-school care; music, art, dance, physical fitness, and/or extra-curricular lessons or classes, unless part of tuition for a participating school or through a contract for public school services; lessons and classes, unless they are included in a student’s enrollment in and part of the tuition/fees charged by a participating school; warranties, unless it is a computer hardware/technological device warranty that is a part of a

computer hardware/technological device bundle that is pre-approved by the department; printing services; tips and gratuities, etc.)

- Add-on technology: (e.g., computer cloud services; internet services; televisions; cable television service; software required for a new computer, such as an operating system or an Office suite, unless it is a part of a computer hardware/technological device bundle that is pre-approved by the department; etc.)
- Some equipment: (e.g., desktop binding machines, musical instruments, or other supplies and/or equipment for performing/visual arts, etc.)
- Animals/supplies: (e.g., farm animals or pets and/or supplies, etc.)
- Personal transportation: (e.g., mileage or car expenses, etc.)
- Expenses outside contract period: any expenses, including services, paid/provided for or billed outside of the IEA contract period (except for registration and application fees charged by the student's participating school, so long as the student was a participating student at the time the fees were paid, and the student's IEA is being renewed for the following school year)

*** 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.

Reselling Items Purchased with IEA Funds

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. All IEA funds are solely approved for the use and educational benefit of the student enrolled in the IEA Program. Resale 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.

Note:

In accordance with the state rules and procedures for the IEA Program and this handbook, the department has the authority to suspend funds in the debit card account, close the account, and/or withdraw/withhold funds from the account, for reasons including, but not limited to misuse of IEA funds, failure to request a required pre-approval for certain purchases, or fraudulent use of IEA funds.

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](#), the [Educational Therapy Facility or Clinic Pre-approval & Agreement Form](#), the [Tutoring Services Pre-approval & Agreement Form](#), or the [Tutoring Services Facility 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 an online platform to manage pre-approvals and expense reports. Associated forms may shift to a more automated process during this contract year.

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, **prior to 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 invoice must then be submitted to the department in the IEA Quarterly Expense Report 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. Otherwise, if pre-approval is obtained for only one provider and a different provider, even within the same agency, is used for services, those services will not be allowable expenses. 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 account holder is responsible for repayment to the department for all ineligible expenses and any eligible expenses spent over the amount of the IEA award.
- 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.

Disallowed Expenses Regarding Tutoring and/or Therapy Services

- **This is not an exhaustive list of disallowed expenses.** Use of IEA funds to pay for disallowed expenses are considered “misspent funds” for which the account holder would be required to reimburse the department. In addition, a determination of misspent funds may result in suspension of the IEA and/or removal of the student from the IEA Program. **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).
- **IEA funds cannot be used to pay for toys.** Sensory devices and tactile manipulatives must be recommended by a licensed therapy provider and pre-approved.
- IEA funds cannot be used to pay for any costs associated with canceled, late, or missed appointments.
- **IEA funds cannot be used to pay for medical expenses.** Per state law and rules, therapies provided to students using IEA funds must be "educational therapies" which are designed to develop or improve academic performance through instructional and therapeutic techniques. All therapy services must be pre-approved by the department, and services must be rendered by an approved therapist, not a physician for which services could be billed through medical insurance.

Psychoeducational assessments do not meet the definition of approved testing fees. However, if a therapist who has been pre-approved by the department provides a psychoeducational assessment, the assessment fees **may be** considered an approved expense as a part of the educational therapy (see chapter 5 for details).

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 either the [Educational Therapies and Services Pre-approval & Agreement Form](#), the [Educational Therapy Facility or Clinic Pre-approval & Agreement Form](#), the [Tutoring Services Pre-approval & Agreement Form](#), or the [Tutoring Services Facility Pre-approval & Agreement Form](#), an 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

How to Receive Pre-Approval for Educational Therapy Services

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

Note:

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.

To request pre-approval for an individual therapist, account holders must submit the [Educational Therapies and Services Pre-approval & Agreement Form](#) to the department. The submitted request must include all the following components:

- therapy provider information, including:
 - therapist name,
 - phone number,
 - email address,
 - business address, and
 - license/certification type and license/certification number;
- name of the educational therapy; and
- description of the therapy's *educational* purpose.

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 provider holds professional liability insurance. 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.

How to Receive Pre-Approval for Therapy Facilities and Clinics

To request pre-approval for a therapy facility or clinic, account holders must submit the [Educational Therapy Facility or Clinic Pre-approval & Agreement Form](#) to the department. The submitted request must include:

- therapy facility or clinic information, including:
 - facility or clinic name,
 - phone number,
 - email address for facility/clinic administrator,
 - business address,
- name of the educational therapy; and
- description of the therapy's *educational* purpose.

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 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. Verification that the provider holds professional liability insurance is also required. To ensure that providers meet the insurance 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 (including computer applications, computer literacy, computer programming, and interactive multimedia design),
- English language arts (including reading),
- health education,
- mathematics (including algebra I, algebra II, geometry, calculus, trigonometry, pre-calculus, statistics),
- personal finance,
- science (including biology, chemistry, physics, physical science, anatomy and physiology, earth science, geology, environmental science, and ecology),
- social studies (including economics, 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 and/or payment for said services. If the participating student will receive tutoring services from an approved tutoring facility (see list of approvable facilities below), the account holder would need to submit a [Tutoring Services Facility Pre-approval & Agreement Form](#) prior to services rendered and/or payment for said services.

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](#) (formerly AdvancED):
 - 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

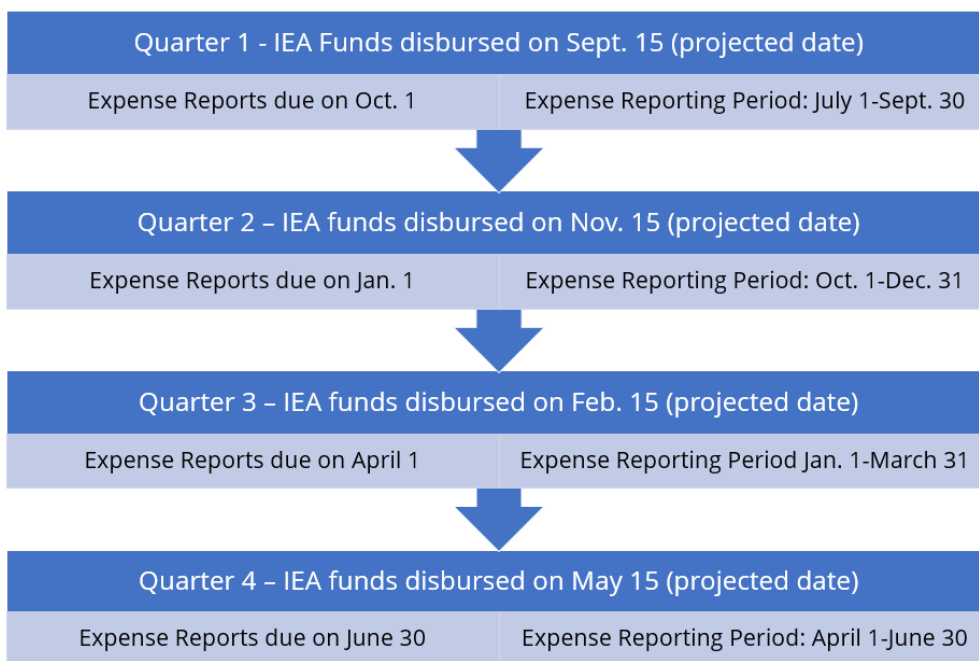
Account holders must receive prior approval from the department **before** using IEA funds to pay for educational tutoring services. To request pre-approval, account holders must submit the [Tutoring Services Pre-Approval & Agreement Form](#) and/or [Tutoring Services Facility Pre-Approval & Agreement 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.

- The submitted request must include all the following tutor and/or tutoring facility information:
 - name,
 - phone number,
 - email address,
 - business address,
 - individual tutor credentials or tutoring facility accreditation; **and**
 - name of the tutoring subject area.

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* requires that IEA account holders submit expense reports 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 a quarterly [IEA Expense Report](#)**, 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 an online platform to manage pre-approvals and expense reports. 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 2024-25 (Deadlines)



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

Expense Reporting Instructions

Account holders must complete all fields in each applicable expense section. If all fields for a listed expense are not completed, the form will be considered incomplete.

The expense report must include all expenses posted to the IEA debit card or contributions posted to ABLE TN and/or Coverdell during the expense reporting period. If a posted expense is not reported on the expense report, it may be considered a misuse of funds.

Please note the following:

- Quarterly expense reports 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. Any refunds must be reported in the "Additional Comments" section of the expense report, and documentation substantiating the return must be submitted with the 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 report for the quarter in which the IEA funds were spent *and* include a receipt detailing when the services were rendered in the expense report for the quarter in which the services were performed.
- **If the account holder has spent zero IEA funds in a quarter, a signed expense report must still be submitted, indicating in the "Additional Comments" section of the expense report that zero dollars were spent in that quarter. Future disbursements will be held until this is received.**
- All expenses listed on an [IEA Expense Report Form](#) should reflect only funds that are charged to the IEA debit card 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 on this form. The amount reported should include all fees, including any taxes, shipping costs, and any costs or fees associated with using the IEA debit card (e.g., debit card processing fees).
- **If all expenses for a given quarter will not fit on one expense report for the quarter, please complete an additional report for the excess expenditures.** Expenses (except for refunds or unique situations) may *not* be reported in the "Additional Comments" section of the expense report.
- The department may suspend and/or close an IEA account and remove a participating student if the department does not receive a complete expense report (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 to be placed in the state's education funding account.

Once the department receives the [IEA Expense Report Form](#), 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 the expense report; the IEA team will notify the account holder as to the status of the expense report. The next IEA payment will not be distributed until the department approves the Expense Report Form.

If an IEA expense report 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 report 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:

- All account holders are required to submit four expense reports per participating contract year, even if \$0 was spent during a quarter, in accordance with the rules and procedures set for the Program.
- If the account holder has spent zero IEA funds in a quarter, a signed expense report must still be submitted, indicating in the "Additional Comments" section of the expense report that zero dollars were spent in that quarter.

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

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** the following must be included on the expense report:

- name of the IEA participating school that matches the name on the list of IEA participating schools posted on the IEA webpage (do not only list "tuition" or "non-public school");
- 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 the IEA debit card.

Please do not indicate the total amount of the school tuition or include personal funds used. **Include only the amount charged on the IEA debit card.** If fees were charged by the non-public school and paid with an IEA debit card, account holders must submit an *itemized* receipt that includes the amount of the fee and a *description* of the fee (e.g., registration fees, test administration fees, etc.).

If an account holder uses IEA funds to pay for textbooks required by the non-public school, the account holder must submit a [Participating Schools Required Textbooks Affidavit Form](#) **before** the expense report is submitted and must list the required textbook expenses in the appropriate category on the expense report for the reporting period in which the funds were spent.

Along with the expense report, the account holder must submit a completed (detailed) invoice from the school. If the expense is for tuition, the receipt must state 'tuition' and detail the months covered. All fees must be itemized on the receipt (i.e., listed individually).

Reporting Expenses for Educational Therapy Services

If an account holder used IEA funds to pay for educational therapy services, **all** the following must be included on the expense report:

- name of the therapist or therapy clinic;
- name of business/organization (if applicable);
- confirmation that pre-approval was received;
- date of service(s);
- date of purchase (i.e., date the services were paid for); **and**
- total amount of IEA funds used to pay for the therapy services.

Along with the expense report, the account holder must submit a completed (detailed) invoice from the therapist. **The total amount paid must match the amount charged to the IEA debit card.** If an account holder pre-pays for services (e.g., educational therapy), the account holder must report the amount prepaid on the expense report for the quarter that the IEA funds were spent *and* include a receipt detailing when the services were rendered in the expense report for the quarter in which the services were performed. The dates of service must be listed on the receipt. (For detailed information, see chapter 6.)

Reporting Expenses for Educational Tutoring Services

If an account holder used IEA funds to pay for tutoring services, **all** the following must be included on the expense report:

- name of the tutor;
- name of the tutoring facility (if applicable);
- confirmation that pre-approval was received;
- date(s) of services;
- tutoring subject(s);
- date of purchase (i.e., date the services were paid for); **and**
- total amount of IEA funds used to pay for the tutoring services.

Account holders must submit a [Tutoring Services Pre-Approval & Agreement Form and/or Tutoring Services Facility Pre-Approval & Agreement Form](#) to the department and receive approval **before** IEA funds may be used to pay for tutoring services. The name of the provider (e.g., tutor or tutoring facility) on the receipt providing the services must be the same as the name listed on the pre-approval form that is approved by the department.

Along with the expense report, the account holder must submit a complete (detailed) invoice from the tutor or tutoring facility. If an account holder pre-pays for tutoring services, the account holder must report the amount prepaid on the expense report for the quarter that the IEA funds were spent *and* include a receipt detailing when the services were rendered in the expense report for the quarter in which the services were performed. The dates of service must be listed on the receipt. (For detailed information, see chapter 6.)

Reporting Curriculum and Supplemental Material Expenses

If an account holder used IEA funds to purchase a curriculum, **all** the following must be included on the expense report:

- name of the curriculum;
- link to exact webpage that describes the curriculum;
- subject area;
- date of purchase;
- total amount spent on a curriculum/supplemental materials; **and**
- confirmation that the Curriculum Pre-Approval Form was approved by the department (if applicable).

If the account holder purchased supplemental materials, the following information would also need to be reported on the expense report:

- itemized list of the name(s) of supplemental materials required by the curriculum;
- link or list of links to exact webpage(s) that describes the supplemental materials;
- link to exact webpage that shows the curriculum requires the supplemental materials;
- list of date(s) of purchase of each supplemental material; **and**
- total amount spent on supplemental materials.

Along with the expense report, account holders must submit an itemized **receipt for all purchases**.

If the expense is an online learning program or course, the expense is required to meet the department requirements for an online learning program/course (see chapter 5) and must be listed in that section of the expense report.

Reporting Computer Hardware and Technological Device Expenses

If an account holder used IEA funds to purchase a computer hardware/technological device, **all** the following information must be included on the expense report:

- name of the computer hardware/technological device;
- confirmation that pre-approval was received;
- date of purchase; **and**
- total amount of IEA funds used to pay for the computer hardware/technological device.

Along with the expense report, the account holder must submit a detailed, itemized receipt.

Reporting Test Fee Expenses

All the following must be included on the expense report if test fees were paid with IEA funds:

- name of test;
- date of purchase;
- name of the company the assessment was purchased from and/or who administered the assessment, including online; **and**
- total amount of IEA funds used to pay for the test fees.

Testing fees for TCAP assessments, norm-referenced tests, and college placement tests must be itemized on the IEA Expense Report. Along with the expense report, account holders must submit an itemized receipt.

Reporting Expenses for Tuition/Fees for Online Learning Program/Courses

If an account holder used IEA funds to make a payment to pay for tuition/fees for an online learning program/course, **all** the following must be included on the expense report:

- name of the non-public school/organization/company providing the program/course;
- online program/course name;
- date of purchase;

amount paid for the quarter using the IEA debit card; **and**

- confirmation that the [Online Learning Program/Course Pre-Approval Form](#) was approved by the department (if applicable).

Along with the expense report, the account holder must submit a complete (detailed) invoice from the non-public school, organization, or company providing the program/course.

Note:

The section above only applies to tuition/fees for **part-time enrollment** in an online learning course or program. To report full-time enrollment in an online learning program using IEA funds, the organization/school providing the program **must be a participating nonpublic school in the IEA Program**, and the expense must be reported in the "Tuition, Fees, and/or Required Textbooks at a Participating Nonpublic School" section of the expense report. Curricular materials purchased with IEA funds for use in an online learning program or course would follow the expense report submission guidelines for curriculum and must be reported in the "Curriculum" section of the expense report.

Reporting Expenses for Public School Contracted Services

If an account holder contracts with a public school district to provide services (including individual classes and extracurricular programs), each service will need to be listed on the IEA expense report for the quarter in which services were paid using IEA funds.

If the account holder used IEA funds to pay for public school services, **all** the following must be included on the expense report:

- name of the public school;
- name of public school district;
- description of the service/fee;
- date of purchase (service/fee/charge); **and**
- amount paid for the quarter using the IEA debit card.

Along with the expense report, the account holder must submit a **receipt** and a **copy of the contract for services** with the public school district.

Reporting Expenses for Tuition, Fees, and/or Required Textbooks at a Post-secondary Institution

If an account holder used IEA funds to make a payment to an eligible post-secondary institution for tuition, approved fees, and/or required textbooks, **all** the following must be included on the expense report:

- name and address of the post-secondary institution;
- name of the accrediting organization;
- itemized description/list of tuition and fees (e.g., class names, fee type);
- date of purchase; **and**
- amount paid for the quarter using the IEA debit card.

All invoices must have a zero balance or documentation showing that the invoice was paid.

Please do not indicate the total amount of the tuition or include personal funds used. **Include only the amount charged on the IEA debit card.** If fees were charged by the post-secondary institution, the account holder must submit an itemized receipt that includes the cost of the fee and a description of the fee (e.g., registration fees, lab fees, test administration fees, etc.).

If an account holder uses IEA funds to pay for textbooks required by the post-secondary institution, the account holder must submit a [Participating Schools Required Textbooks Affidavit Form](#) **before** the expense report is submitted and must list the required textbook expenses in the appropriate category on the expense report for the reporting period in which the funds were spent.

Along with the expense report, the account holder must submit a complete (detailed) invoice from the institution. Expenses for tuition must state “tuition” on the receipt or invoice and list the months covered; all fees must be itemized on the receipt or invoice (i.e., listed individually).

Reporting Transportation Expenses

If an account holder used IEA funds to pay for transportation expenses, **all** the following must be included in the expense report:

- name of transportation provider (avoid vague terms such as “bus” or “taxi service”);
- destination name (e.g., name of provider, name of school);
- date of transportation; **and**
- total amount of IEA funds used to pay for the transportation.

Please do not include personal funds used. Include only the amount charged on the IEA debit card.

Along with the expense report, the account holder must submit (detailed) receipts from the transportation providers. Invoices and receipts for transportation expenses must state “transportation,” and all fees must be itemized. The receipts must list the address of the school/educational provider or location where the student is being transported from/to, and the total amount of IEA funds used to pay for the transportation. 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.

Reporting Expenses for Financial Management

If an account holder used IEA funds to pay for financial management of the IEA account, **all** of the following must be included on the expense report:

- name of private financial institution;
- detail of services provided;
- date(s) services were provided;
- total amount of IEA funds used to pay for the financial management fees; **and**
- date services were paid.

Along with the expense report, the account holder must submit a (detailed) invoice from the institution. Expenses for financial management must state “IEA financial management” on the receipt or invoice and list the dates services were provided; all fees must be itemized on the receipt or invoice (i.e., listed individually).

It is prohibited to use IEA funds to pay for any purposes other than legitimate financial management fees related to the IEA account in which the student is enrolled. If IEA funds are misused, then the student is subject to removal from the IEA Program.

Reporting Achieving a Better Life Experience (ABLE) Account Contributions

If an account holder used IEA funds to make a contribution to the IEA portion of an ABLE TN savings account, **all** of the following must be included on the expense report:

- ABLE TN account number;
- ABLE TN IEA identification number;
- date(s) of contribution(s); **and**
- total amount of IEA funds contributed to the account for that quarter.

With submission of the expense report, the account holder must provide proof of deposit for the ABLE TN contribution. The ABLE TN Transaction Notice must show the Contribution Check under the Transaction Description of the Investment Transactions section (see example below). The total under the Transaction Amount must equal the exact amount of the check sent by the IEA program. ABLE TN contributions should only be reported after they have been deposited into the IEA portion of the ABLE TN account. The information listed on the expense report must match what was submitted on the [ABLE TN Contribution Request for IEA Account Holders Form](#) or the [quarterly disbursement](#). **Account holders are also required to include with their expense report any subsequent transaction confirmations related to the contribution being reported.**



Transaction Notice

Account: 123456789-02
Account Owner: Student's Name
Date: January 01, 2024

This section will display the Account Number, Student Name, and date of the Transaction Notice.

Jane Doe
 123 Sesame St.
 Nashville, TN 37254

Please see below for details pertaining to your recent financial activity.

INVESTMENT SUMMARY			
Investment Option	Units	Unit Price	Value
TN Money Market Fund	290.8301	\$13.59	\$3,952.38
Total Portfolio Net Worth:			\$3,952.38

This section will display the total holdings in the account since its inception and the total portfolio net worth.

INVESTMENT TRANSACTIONS				
Trade Date	Transaction Description	Units Transacted	Unit Price	Transaction Amount
12/21/2023	Contribution Check TN Money Market Fund	300.00	\$10.00	\$3,000.00

This section will display the contribution activity for this Transaction Notice, including the trade date and the total amount of the contribution broken down by the various investment options. This is the area that will be relevant for IEA as the total in this section should equal the total amount paid to the IEA participant. Also, you should notice that the Transaction Description is "Contribution Check".

Please log into your account at www.abletn.gov to review your information in detail.

Account holders have 21 calendar days after the issuance date of the IEA check to deposit the funds into the ABLE TN account. If the account holder has not deposited the IEA check into the ABLE TN account by the last date of an expense report deadline, the funds must be reported in the next quarter's expense report. Any IEA checks for ABLE funds that are received and not deposited into the IEA -02 portion of the ABLE TN account will be considered misspent.

Note:

All IEA funds must be deposited into the IEA portion of the ABLE TN account. The IEA portion is noted by an identification number ending in -02. Account holders may complete this [form](#) to establish the IEA identification number or may contact ABLE TN at ABLE.TN@tn.gov if assistance is needed prior to any IEA fund deposits. See chapter 5 of this handbook for more information.

For ABLE TN Contributions to be an approved use of funds, IEA account holders must follow the ABLE TN's guidance regarding depositing IEA funds into an ABLE TN account. For more information, see <https://able.treasury.tn.gov/Tennessee-Individualized-Education-Accounts-IEA>.

Reporting Coverdell Education Savings Account Contributions

If an account holder used IEA funds to contribute to a Coverdell Education Savings account, **all** the following must be included on the expense report:

- name of financial institution;
- last five (5) digits of Coverdell account number;
- date(s) of contribution(s); **and**
- total amount of IEA funds contributed to the account.

With submission of the expense report, the account holder must provide proof of deposit for the Coverdell contribution (e.g., include the *entire* Coverdell statement that lists a *contribution(s)* to the Coverdell account). Coverdell contributions should only be reported after they have been deposited into the Coverdell account. The information listed on the expense report must match what was submitted on the [IEA Coverdell Contribution Request Form](#).

Account holders have 21 calendar days after the issuance date of the IEA check to deposit the funds into the Coverdell account. If the account holder has not deposited the IEA check into the Coverdell account by the last date of an expense report deadline, the funds must be reported on the next quarter's expense report. Any IEA checks for Coverdell funds received and not deposited into the Coverdell account will be considered misspent.

Note:

Account holders choosing to open ABLE TN and/or Coverdell accounts in order to meet the statutory 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.

Reporting Fees Associated with Use of the IEA Debit Card

There are currently no Conduent or department fees associated with use of the IEA debit card. However, if a merchant or provider charges a fee for using the IEA debit card to process the transaction (e.g., debit card processing fee), the account holder must include the fee with the approved expense on the expense report. For example, if a participating school charged a \$100 debit card processing fee on a \$1,000 tuition charge, the account holder would report \$1,100.00 under "Tuition and Fees at a Participating School."

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 in the "Disallowed Expenses" section of the expense report 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.**

If an account holder uses IEA funds to pay for non-approved expenses, **all** the following must be included in the expense report:

- description of the expense;
- date of purchase;
- date the account holder reported misuse of funds to the department (notifications must be emailed to IEA.Questions@tn.gov); **and**
- total amount of IEA funds misused.

Chapter 8: 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 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 an 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 an online platform, IEA forms may shift to a more automated process during this contract year.

Note:

Any expenditures of IEA funds after the date of 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 IEA debit card 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.
- 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 schools 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.

Note:

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. Again, please note that the Department has updated its guidance to inform public school districts that students participating in the IEA Program should be marked as eligible for special education and related services, but inactive due to participation in the Program.

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 on

the IEA debit card **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 a final expense report, 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 expense report 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 deadlines 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 on the IEA debit card will be withdrawn from the account and returned to the state treasurer to be placed in the state's education funding account.

Note:

If an IEA is closed, any expenditures of IEA funds after the date of closure is a misuse of 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.

Note: An account holder's non-renewal of an *IEA Account Holder Contract* is not considered removal, and the student would be eligible to reapply to the IEA Program in the future if new student eligibility requirements of the Program are met, pending no department determinations 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 required final expense report 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.

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 unspent IEA funds for post-secondary expenditures.

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 a final expense report to the department documenting all IEA funds expenditures since the last expense report was submitted, along with all supporting receipts and documentation, by the deadline stated in the removal notice.

If the department determines that IEA funds have been misspent, the department shall notify the account holder, and the account holder shall repay the misspent amount in the manner and within the timeframe set by the department. The department is authorized to suspend and/or withdraw/withhold funding directly from the student's IEA for reasons including, but not limited to, fraud, misuse of funds, account holder failure to comply with the terms of the state laws, rules, procedures, or the *IEA Account Holder Contract*, if the student returns to the LEA, or if funds were deposited into the account in error.

An account holder may appeal the department's decision to remove a participating student by following the appeals procedures of [SBE Rule 0520-01-11-.10](#) and as outlined below in this handbook.

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* or applicable laws, rules, or procedures;
- misuse of IEA funds;
- failure to report all expenditures of IEA funds following the requirements set by the department;
- full-time enrollment in a public school, including public charter schools and public virtual education programs;
- failure to submit expense reports and all required supporting documentation (e.g., receipts) by the deadlines set by the department;
- failure to provide for 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 showing that the participating student in grades 3–8 has taken either a nationally norm-referenced test(s) approved by the department or the TCAP test(s), or any future replacements of the TCAP test(s);
- providing false information to the department (application, contract, bank form, etc.);

- fraudulent activity;
- failure to notify the department of any updates to the information submitted in the application, renewal, and/or contract [including, but not limited to, the email address, residential address, school type (i.e., independent home school, non-public school), LEA the student resides in, and/or phone number of the account holder/student] 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 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, 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, the party will be notified by an administrative law judge who will set the date and time of the hearing.

Chapter 9: Quick Link References

These URL links and IEA forms should be referenced and used by account holders as needed or required. As a reminder, as the IEA Program transitions to an online platform, IEA forms may shift to a more automated process during this contract year.

ABLE TN Savings Account Information

<https://able.treasury.tn.gov/>

Coverdell Savings Account Information

<http://www.irs.gov/publications/p970/ch07.html>

Education Choices in Tennessee

<https://www.tn.gov/education/families/school-options.html>

Email address for IEA Questions

IEA.Questions@tn.gov

Federal Bureau of Investigation (FBI)

<https://www.fbi.gov/services/cjis/identity-history-summary-checks>

IEA Participating Non-public School Handbook

https://www.tn.gov/content/dam/tn/education/iea/2023-24_IEA_Participating_Non-public_School_Handbook.pdf

IEA Program Key Dates

<https://www.tn.gov/education/iea/iea-resources.html>

IEA Webpage

<https://www.tn.gov/education/iea.html>

List of IEA Participating Non-public Schools

<https://www.tn.gov/education/iea/iea-resources.html>

Tennessee Bureau of Investigation (TBI)

<https://www.tn.gov/tbi/divisions/cjis-division/background-checks.html>

Tennessee Department of Health Abuse Registry

<https://www.tn.gov/didd/divisions/protection-from-harm/abuse-registry.html>

Tennessee Higher Education Commission on Post-secondary Education

<https://www.tn.gov/thec.html>

Tennessee State Board of Education (SBE) Rule for IEA Program - Chapter 0520-01-11
<https://publications.tnsosfiles.com/rules/0520/0520-01/0520-01-11.20240423.pdf>

Tennessee Bureau of Investigation Sex Offender Registry
<https://www.tn.gov/tbi/general-information/tennessee-sex-offender-registry.html>

Tennessee Code Annotated References

Tennessee's School Attendance Law (1)
[Tenn. Code Ann. § 49-6-3001](#)

Individualized Education Act
[Tenn. Code Ann. § 49-10-14](#)

IEA Program Forms

ABLE TN Contribution Request for IEA Account Holders Form
https://stateoftennessee.formstack.com/forms/able_tn_contribution_request_for_iea_account_holders

Account Holder and Student Information Update Form
https://stateoftennessee.formstack.com/forms/account_holder_and_student_information_update_form

Computer Hardware and Technological Device Pre-Approval Request Form
https://stateoftennessee.formstack.com/forms/computer_hardware_and_technological_devices_preapproval_form

Curriculum Pre-approval Request Form
https://stateoftennessee.formstack.com/forms/curriculum_preapproval_request_form

Educational Therapies and Services Pre-approval & Agreement Form
https://stateoftennessee.formstack.com/forms/educational_therapies_and_services_preapproval_agreement_form

IEA Coverdell Contribution Request Form
https://stateoftennessee.formstack.com/forms/coverdell_education_savings_account_contribution_request_for_iea_account_holders

IEA Online Fraud Reporting Form
<https://stateoftennessee.formstack.com/forms/fraudreportingform>

IEA Quarterly Expense Report
https://stateoftennessee.formstack.com/forms/iea_expense_report_202021_school_year

IEA Student Withdrawal Form

https://stateoftennessee.formstack.com/forms/student_withdrawal_from_iea_program

Notice of School Transfer Form

https://stateoftennessee.formstack.com/forms/name_of_school_transfer

Online Learning Program/Course Pre-Approval Request Form

https://stateoftennessee.formstack.com/forms/online_preapproval_request_form

Participating Schools Required Textbooks Affidavit Form

https://stateoftennessee.formstack.com/forms/participating_schools_required_textbooks_affidavit_for_m

Post-secondary Institution Required Textbooks Affidavit Form

https://stateoftennessee.formstack.com/forms/postsecondary_institution_required_textbooks_affidavit_form

Student Assessment Verification Form

https://stateoftennessee.formstack.com/forms/student_assessment_verification

Tutoring Services Facility Pre-approval & Agreement

https://stateoftennessee.formstack.com/forms/tutoring_services_facility_preapproval_agreement

Tutoring Services Pre-approval & Agreement Form

https://stateoftennessee.formstack.com/forms/tutoring_services_preapproval_agreement

W-9 form

<https://www.irs.gov/pub/irs-pdf/fw9.pdf>