

**RULES
OF
THE TENNESSEE DEPARTMENT OF EDUCATION
THE STATE BOARD OF EDUCATION**

**CHAPTER 0520-01-02
DISTRICT AND SCHOOL OPERATIONS**

0520-01-02-.01 APPROVAL OF LOCAL EDUCATION AGENCIES (LEAS).

- (1) A public school is the basic administrative unit of a state, county, city, or special district school system, consisting of one (1) or more grade groups, one (1) or more teachers to give instruction, and one (1) principal, which school shall be subject to the statutes of the State of Tennessee, and to the rules, regulations, and minimum standards of the State Board of Education (State Board).
- (2) The Department of Education (Department) shall make periodic inspections of the Local Education Agencies (LEAs) under its control. These inspections shall be made to determine the extent to which LEAs operate in compliance with State Board rules and regulations and to verify the information received on reports from local school officials. The Department shall develop and annually notify LEAs of the inspection criteria.
 - (a) Each LEA shall be classified as approved, conditionally approved, or non-approved based on the inspection of the Department. LEAs classified as conditionally approved by the Commissioner of Education shall receive a written explanation of the reasons for such classification and shall be afforded the opportunity to respond. The Commissioner's notification shall include a time by which corrective action shall be completed by the LEA. If such corrective action is not taken within the time specified, the LEA shall be classified as non-approved and the Commissioner shall impose sanctions on the LEA which may, in the Commissioner's discretion, include withholding part or all of funds generated by the state's K-12 funding formula to the non-approved LEA.
 - (b) The Department shall make an annual report to the State Board regarding each LEA's compliance with State Board rules and regulations. The report shall include the approval status of each LEA, deficiencies identified by the Department in the approval process, an assessment of action needed to attain approval, LEA response, and sanctions imposed upon LEAs which do not comply.
- (3) The Department shall maintain an internal audit function which shall assist the Department in the inspection of schools. Internal audit reports shall be presented to the Commissioner of Education and the State Board.

Authority: T.C.A. §§ 49-1-201, 49-1-302, and 49-3-353. **Administrative History:** Original rule certified June 10, 1974. Amendment filed August 20, 1984; effective November 13, 1984. Amendment filed September 26, 1985; effective December 14, 1985. Amendment filed September 20, 1987; effective December 22, 1987. Amendment filed October 18, 1988; effective January 29, 1989. New rule filed February 16, 1989; effective April 2, 1989. Amendment filed July 11, 1990; effective October 29, 1990. Repeal and new rule filed March 16, 1992; effective June 29, 1992. Repeal and new rule filed December 5, 2011; effective May 30, 2012. Amendments filed August 20, 2020; effective November 18, 2020.

(Rule 0520-01-02, continued)

0520-01-02-.09 ALTERNATIVE EDUCATION.

- (1) Alternative education is a non-traditional, short-term academic program or school designed to meet the student's educational, behavioral, and social needs. Alternative education includes alternative schools and alternative programs.
- (2) Alternative school means a short-term intervention program designed to provide educational services outside of the regular school program for students who have been suspended or expelled. Alternative schools are located in a separate facility from the regular school program.
- (3) Alternative program means a short-term intervention program designed to provide educational services outside of the regular school program for students who have been suspended or expelled. Alternative programs may be located within the regular school or be a self-contained program within a school. Alternative programs include, but are not limited to, night schools or in-school suspension.
- (4) Pursuant to T.C.A. § 49-6-3402, local boards of education may establish alternative schools for students in grades one (1) through six (6) who have been suspended or expelled from the regular school program.
- (5) Attendance in an alternative school or alternative program shall be voluntary for students in grades one through six (1-6) who have been suspended or expelled from the regular school program, unless the local board of education adopts a policy mandating attendance in either instance.
- (6) A local board of education shall establish at least one (1) alternative school for students in grades seven (7) through twelve (12) who have been suspended or expelled. Attendance in an alternative school or program is mandatory for students in grades seven through twelve (7-12) who have been suspended for more than ten (10) days or expelled from the regular school program if space and staff are available. Space and staff availability shall be determined by the LEA at the time the disciplinary decision is rendered.
 - (a) Attendance in an alternative school or alternative program is not mandatory for students in grades seven through twelve (7-12) who have been expelled from the regular school program for committing a zero-tolerance offense. However, this does not prohibit a director of schools, or a director's designee, from assigning a student who has been expelled from the regular school program for committing a zero-tolerance offense to an alternative school or alternative program.
- (7) Students in pre-Kindergarten or Kindergarten shall not be assigned to an alternative school or program.
- (8) Each local board of education shall adopt a policy regarding alternative education that is aligned to this rule and the State Board's Alternative Education Policy 2.302.
- (9) Requirements for alternative education:
 - (a) The instruction shall proceed as nearly as practicable in accordance with the instructional program in the student's regular school. Instruction shall be based on the academic standards adopted by the State Board.

(Rule 0520-01-02-.09, continued)

- (b) All course work and credits earned shall be transferred and recorded in the student's home school, which shall grant credit earned and progress thereon as if earned in the home school.
- (c) Students shall participate in all required state assessments at sites determined by school officials and in accordance with established guidelines regarding student grade levels and eligibility. State assessment results shall be reported in the LEA where the student was enrolled prior to his or her placement in the alternative school.
- (d) Each alternative school or program shall comply with class size requirements established in T.C.A. § 49-1-104 and instructional and planning time requirements established by the State Board. Nothing shall prohibit an LEA from establishing a lower class size ratio in an alternative school or program.
- (e) The minimum length of the school day for alternative schools and programs shall be six and one-half (6½) hours.
- (f) LEAs shall monitor and regularly evaluate the academic progress of each student enrolled in an alternative school.
- (g) Students are subject to all rules pertaining to the alternative school or alternative program.
 - 1. The director of schools, or the director's designee, may remove a student from the alternative school or alternative program if the director, or the director's designee, determines that:
 - (i) The student has violated the rules of the alternative school or alternative program; or
 - (ii) The student is not benefiting from the student's assignment to the alternative school or alternative program, and all interventions available to help the student to succeed in the alternative school or alternative program have been exhausted unsuccessfully.
 - 2. A student's removal from the alternative school or alternative program shall not constitute grounds for extending the length of original suspension or expulsion.
 - 3. The director of schools, or the director's designee, shall make the final decision on removal.
- (h) If a student has an active Individualized Education Program (IEP), a 504 plan, or is suspected of having a disability, all state and federal laws and rules relating to students with disabilities and special education shall be followed.
- (i) Prior to the assignment of a student to an alternative school or program, the LEA shall provide written notice, which includes the reason for the student's placement, to the student's parent or guardian. Reasons for placement in an alternative school must be documented. End of year reports must be made to the regular school for each student.

(Rule 0520-01-02-.09, continued)

- (j) Each teacher providing instruction to students in an alternative education school or program shall be licensed to teach in Tennessee and shall meet the qualifications to teach in compliance with the rules and regulations of the State Board.
- (k) Alternative schools shall have an appropriately licensed administrator assigned to supervise the school.
- (l) Support services such as counseling and psychological services must be accessible.
- (m) Each LEA shall develop and implement formal transition plans for the integration of students from a traditional school to an alternative school or from an alternative school back to a traditional school. Transition plans shall be targeted to improve communication between a traditional school and an alternative school staff and should address any barriers that would prohibit students from successfully transitioning. Transition plans shall include aligning of curricula, in-take procedures for students returning to traditional school, professional development opportunities for traditional and alternative school staff, educational and behavioral supports, follow-up for students returning to traditional school, and the development of graduation and postsecondary goals.
- (n) All alternative school classrooms shall have working two-way communication systems that make it possible for teachers or other employees to notify a principal, supervisor, or other administrator that there is an emergency.
- (o) It is the responsibility of the director of schools to ensure that all alternative school teachers and other employees have been trained to use the two-way communication system and are notified of emergency procedures prior to the beginning of classes for any school year and when changes are made in the emergency procedures and/or personnel. Such emergency procedures shall be linked to the school and school system emergency preparedness plan.
- (p) LEAs shall submit an annual alternative education survey to the Department that provides the following information:
 - 1. Alternative schools or programs currently in operation in the LEA;
 - 2. Number and grade level of students served;
 - 3. Primary reason for student assignment;
 - 4. Number of faculty and staff; and
 - 5. Information required by T.C.A. § 49-6-3405.
- (10) Funding:
 - (a) Students attending an alternative school shall continue to earn funding through the state's K-12 education funding formula for the LEA in which the student is enrolled.
- (11) Facilities:

(Rule 0520-01-02-.09, continued)

- (a) A local board of education may not contract or otherwise affiliate with an alternative school program which requires an order of a court as a precondition of placement in such alternative school.
- (b) A local board of education may contract with independent contractors to provide alternative school facilities and other appropriate services consistent with T.C.A. § 49-2-203.
- (c) A local board of education may establish its own facility.
- (d) Two or more boards may join together and establish an alternative school attended by students from any such LEA.
- (e) Through a mutually accepted agreement with another local board of education, a board may send its suspended or expelled students to an alternative school already existing in another LEA.

Authority: T.C.A. §§ 49-6-3401, 49-6-3402, and 49-6-3405. **Administrative History:** Original rule certified June 10, 1974. Amendment filed February 28, 1978; effective March 30, 1978. Amendment filed January 9, 1979; effective February 23, 1979. Amendment filed April 14, 1980; effective May 28, 1980. Amendment filed June 28, 1984; effective September 11, 1984. Amendment filed January 2, 1986; effective April 15, 1986. Amendment filed May 28, 1986; effective June 27, 1986. Amendment filed April 24, 1987; effective June 8, 1987. Repeal and new rule filed March 16, 1992; effective June 29, 1992. Amendment filed June 24, 1992; effective September 28, 1992. Amendment filed April 18, 1997; effective August 28, 1997. Amendment filed April 27, 1998; effective August 28, 1998. Amendments filed August 20, 2020; effective November 18, 2020.

0520-01-02-.10 HOMEBOUND INSTRUCTION.

- (1) Definitions. As used in this rule:
 - (a) “Homebound Instruction Period” means the number of school days that the medical homebound instruction program shall be provided to the student.
 - (b) “Individualized Education Program (IEP) team” means a group of individuals described in 34 C.F.R. § 300.321 that is responsible for developing, reviewing, and/or revising an IEP for a child with a disability.
 - (c) “Medical Condition” means a physical or mental condition, illness, or disorder that prevents a student from attending regular classes and is certified in writing by the student’s treating physician.
 - (d) “Medical Homebound Instruction Program” means an instruction program provided at home, hospital, or other related locations to all students, including students with disabilities, who are enrolled in a public school but are unable to attend regular classes due to a medical condition.
 - (e) “Regular Classes” means the classes to which the student has been assigned by the school where the student is enrolled.
 - (f) “Review Team” means Local Education Agency (“LEA”) staff and/or school staff, including the student’s 504 team or IEP team if applicable, who are familiar with

(Rule 0520-01-02-.10, continued)

the health and educational needs of the student for whom a medical homebound instruction program is being requested.

- (g) “Student” means a child enrolled in a Tennessee public school in grades kindergarten through grade twelve (K-12).
- (h) “Treating Physician” means a person who is licensed under T.C.A. Title 63, Chapter 6; T.C.A. Title 63, Chapter 9; T.C.A. Title 63, Chapter 11; or T.C.A. § 63-23-105 or similar statute in another jurisdiction and who is the professional treating the student for the medical condition requiring medical homebound instruction.

(2) Medical Homebound Qualification and Placement.

- (a) Each LEA shall establish a medical homebound instruction program for each student enrolled in the LEA who qualifies. A student qualifies for a medical homebound instruction program if the student’s treating physician certifies in writing that the student has a medical condition that prevents the student from attending regular classes. A student is prevented from attending regular classes if the student will miss more than ten (10) consecutive instructional days over the period of the school year due to the medical condition. An LEA may also create a policy that allows students who miss an aggregate number of instructional days over the period of the school year due to a medical condition to be eligible for a medical homebound instruction program.
- (b) Once a student has qualified for a medical homebound instruction program, the homebound instruction period shall be determined by the student’s review team on a case-by-case basis and shall take into consideration the recommendations of the student’s treating physician, if available. Educational decisions regarding the student’s medical homebound instruction program shall be determined by the student’s review team on a case-by-case basis.
- (c) Decisions regarding students with disabilities who require instruction in the home, hospital, or related site pursuant to an IEP team’s determination that the home, hospital, or related site is the child’s least restrictive environment are governed by the requirements set forth in the Individuals with Disabilities Education Act (34 C.F.R. § 300.39; 34 C.F.R. § 300.115) and State Board Rule 0520-01-09-.07 regarding educational homebound placements.

(3) Medical Homebound Instructional Requirements.

- (a) A medical homebound instruction program shall consist of a minimum of three (3) hours of instruction per week while school is in session for the homebound instruction period determined by the student’s review team.
- (b) For students receiving special education and related services, the frequency and duration of instruction necessary to provide a free appropriate public education for a student with a disability during a medical homebound instruction program placement shall be determined by the student’s IEP team, but shall not be less than the minimum of three (3) hours per week.
- (c) The student’s review team shall consider the student’s grade level, academic status, physical abilities, individual academic needs, homebound instruction period, and similar factors when determining the amount of instructional time per week provided to the student under a medical homebound instruction program.

(Rule 0520-01-02-.10, continued)

- (d) The minimum of three (3) hours of instruction per week shall not include travel to and from the student or preparation time. Homebound instruction is measured by the amount of time that the student and the homebound teacher are working together; or, if a student is enrolled in an LEA's virtual program, homebound instruction is only the actual time that the student is engaging in instruction via the virtual program.
 - (e) Homebound instruction shall be provided by a teacher holding a valid Tennessee teacher license as provided in T.C.A. Title 49, Chapter 5.
 - (f) An adult, other than the homebound teacher/instructor, shall be present during the homebound instruction period.
 - (g) The LEA may provide the homebound instruction program by sending a teacher to the student's home, hospital, or related site, by contracting with a hospital or related site to provide educational services to the student in compliance with this rule, or via the LEA's own online or virtual program, if the review team deems it appropriate for the student. The LEA shall verify that the student has all the necessary equipment, access, and training for working via the internet at no additional cost to the student.
- (4) Recertification for Medical Homebound.
- (a) A medical homebound instruction program for longer than the initial medical homebound instruction period shall only be provided to a student who is recertified in writing by his or her treating physician as having a medical condition that, in the student's treating physician's judgment, continues to prevent the student from returning to regular classes.
 - (b) The initial medical homebound instruction period and any additional medical homebound instruction period shall be for the number of school days certified by the student's review team.
 - (c) Recertification must be obtained upon the expiration of each additional medical homebound instruction period if medical homebound instruction is to be continued beyond the initial medical homebound instruction period.
- (5) Reentry.
- (a) Prior to the expiration of the medical homebound instruction period, the review team shall develop a transition plan for the student's reentry into the school environment.
- (6) Attendance and Funding.
- (a) LEAs are responsible for ensuring the provision of medical homebound instruction to students enrolled in the LEA. Such students shall not be counted absent from school and shall continue to earn funding through the state's K-12 education funding formula for the LEA in which the student is enrolled.
 - (b) IDEA Part B funds may be expended only for instruction of students with disabilities who are placed in a homebound instruction program.

(Rule 0520-01-02-.10, continued)

Authority: T.C.A. §§ 49-10-1101, 49-10-1102, and 49-10-1103; 34 C.F.R. § 300.39; and 34 C.F.R. § 300.115. **Administrative History:** Original rule certified June 10, 1974. Amendment filed June 10, 1974; effective July 10, 1974. Amendment filed June 30, 1975; effective July 30, 1975. Amendment filed July 15, 1976; effective August 16, 1976. Amendment filed February 28, 1978; effective March 30, 1978. Amendment filed January 9, 1979; effective February 23, 1979. Repeal and new rule filed March 16, 1992; effective June 29, 1992. Repeal and new rule filed May 20, 2019; effective August 18, 2019. Amendments filed April 7, 2021; effective July 6, 2021.

0520-01-02-.13 FISCAL ACCOUNTABILITY STANDARDS.

- (1) Data Collection.
 - (a) The Commissioner of Education (Commissioner), in consultation with the Comptroller of the Treasury, shall prescribe a system of school fiscal accounting for all LEAs which ensures that the expenditure of funds is properly accounted for and safeguarded in accordance with current law and State Board rules, regulations, and minimum standards. The Commissioner shall require such reports from LEAs as are required by federal or state law, State Board rules, or as are otherwise necessary for ensuring fiscal accountability standards.
 - (b) To ensure proper financial reporting of revenue and expenditures for all public school purposes, the system of school fiscal accounting shall include a standard chart of accounts and audit procedures. The standard chart of accounts shall be the basis for the Annual Public School Budget Document (Budget Document), which shall contain the account codes necessary to ensure the capability for meaningful comparisons of school systems. At a minimum, the Budget Document shall be designed to facilitate year-to-year and agency-to-agency comparison, as well as adequately indicating the sources and uses of all funds received by each LEA, and sufficient revenue account codes to differentiate between federal, state and local revenue.
 - (c) The report of actual expenditures shall be the Annual Public School Financial Report (Financial Report) and shall include sufficient information to allow an LEA by LEA comparison of budgeted and actual expenditures. The Financial Report shall, at a minimum, be designed to facilitate year-to-year and agency-to-agency comparison, as well as adequately indicating the sources and uses of all funds received by each LEA, and shall differentiate between federal, state and local revenue when reporting actual revenue for the prior year and estimated revenue for budget purposes.
 - (d) The Department of Education shall establish procedures for collecting and verifying required data inputs for use in determining allocations through the state's K-12 education funding formula.
- (2) Reports & Documents.
 - (a) Within thirty (30) days after the beginning of each fiscal year, each LEA shall submit to the Commissioner, on a form provided by the Department of Education, a complete and certified copy of its entire school budget for the current school year.
 - (b) On or before October 1 of each year, each LEA shall submit to the Commissioner a correct and accurate financial report of public school revenues and expenditures for the school year ending on June 30. The Commissioner shall require such

(Rule 0520-01-02-.13, continued)

reports and maintain such documents as will allow a comparison of the state's K-12 education funding allocations with actual expenditures for each school system.

- (c) The Commissioner shall provide to the State Board on or before October 1 of each year a report of ADM for each LEA for the previous school year.
 - (d) The Department of Education shall prepare and report to the State Board final allocations of the state's K-12 education funding formula for each LEA prior to the start of the school year.
- (3) Review and Verification.
- (a) The budget submitted by each LEA will be reviewed by the Department of Education to ensure that state funds are not being used to supplant local funds and that each school system has appropriated funds sufficient to fund its local share of the state's K-12 education funding formula.
 - (b) Revenue derived from local sources must equal or exceed prior year actual revenues - excluding capital outlay and debt service, and adjusted for decline in average daily membership (ADM).
 - (c) The Department of Education shall verify that funds generated in the state's K-12 education funding formula are being budgeted for eligible expenses, inclusive of any legal requirements that restrict fund usage. The Commissioner shall advise the State Board of all LEAs which fail to meet these minimum standards by January 15 of each year.
 - (d) Each LEA shall provide to the Commissioner or a designated representative copies of all LEA related audit reports, including those made by governmental or independent public accountants.
 - (e) The Department of Education shall conduct review and follow-up procedures to ensure that audit exceptions are evaluated and appropriate actions are taken. The Commissioner shall notify the State Board of any material and significant findings which reflect on the ability of the LEA to provide a quality education or which indicate that progress toward satisfactory resolution is not being made.
- (4) Audit.
- (a) An Internal Audit Section will be maintained in the Department of Education for the purpose of testing and evaluating LEA administrative and accounting controls, compliance, and financial and program accountability for state and federally funded programs, and for compliance with State Board rules, regulations, and minimum standards. The Internal Audit Section shall make such full and limited scope audits as it deems necessary under the circumstances, and special audits as requested by responsible government officials. The audits will be performed in accordance with standards for the professional practice of internal auditing and with generally accepted governmental auditing standards.
 - (b) To provide reasonable assurance that attendance and financial reports are reliable and accurate, the Internal Audit Section shall conduct audit procedures for the review and testing of the attendance accounting system. The Internal Audit Section shall review such programs as necessary to provide reasonable assurance that funds are properly accounted for and safeguarded in accordance with current law,

(Rule 0520-01-02-.13, continued)

applicable federal standards, and State Board rules, regulations, and minimum standards. Audits shall include evaluating program objectives, grant performance and accountability to determine that each LEA has a system in place to ensure compliance with program regulations and guidelines.

- (c) The Commissioner shall be advised of all audits, including a summary of the scope of the audit, the findings, recommendations, management comments, and conclusions including a determination as to the adequacy of corrective action planned or implemented. The State Board, Director of Schools, and representatives of the Comptroller's Office shall be provided copies of all audits conducted.

Authority: T.C.A. §§ 49-1-201, 49-1-210, 49-1-302, 49-3-316, and Public Chapter 966 of the Public Acts of 2022. **Administrative History:** Original rule filed November 3, 1993; effective March 30, 1994. Amendment filed June 30, 1995; effective October 27, 1995. Amendments filed August 11, 2017; effective November 9, 2017.