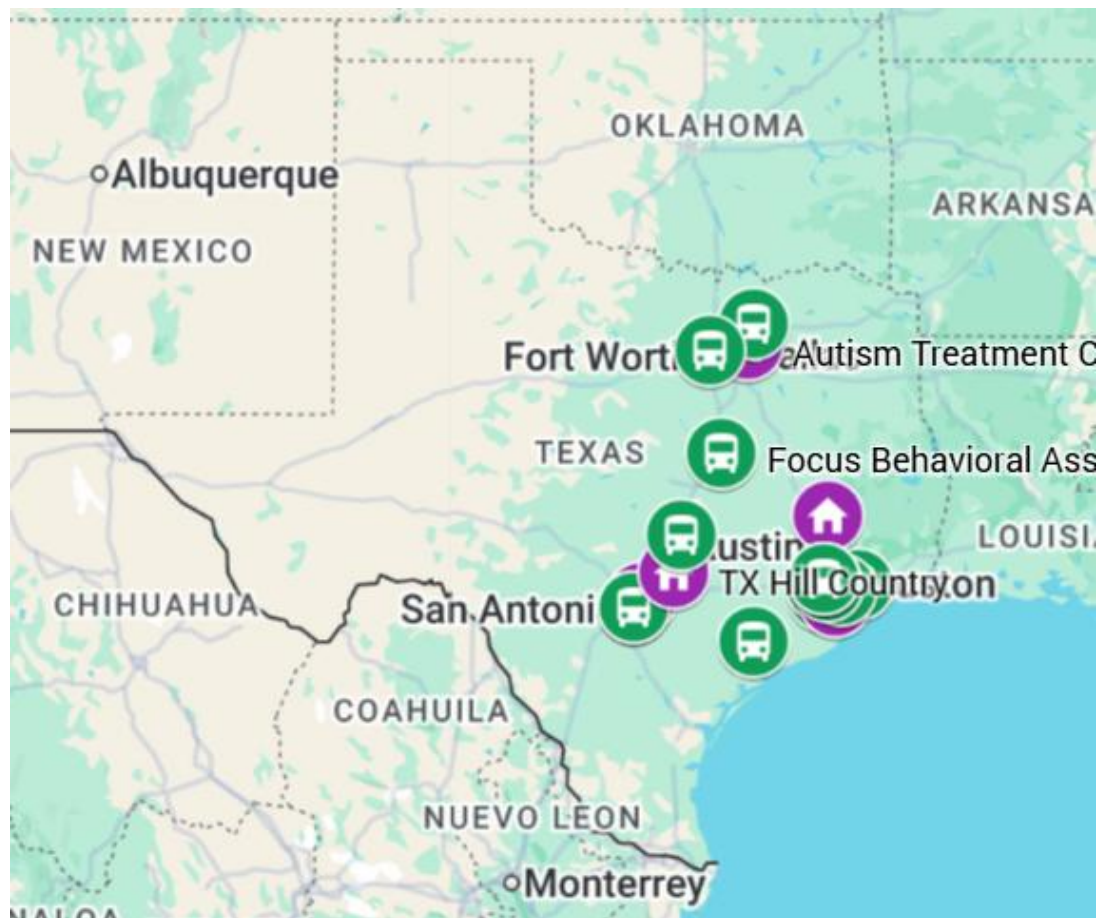


Day Placement Program Cooperative Funding Allotment

What are day placement programs?

- Day placement programs provide services to students placed by an admission, review, and dismissal (ARD) committee that demonstrate intensive support needs that cannot be met within the standard continuum of services available on a regular school campus.
- Day placement programs deliver highly specialized, evidence-based services, including the use of specialized providers, low student-to-staff ratios, and purpose-built instructional environments, to ensure students can access a free appropriate public education (FAPE).
- ARD committees at the time of placement - and as the placement is reviewed - establish goals and plans for how a student could return to a less restrictive setting.

Current landscape



Many school systems have limited or no access to day placement programs to support students. Some residential placement programs may also operate as day placement programs.

-  Day - 19
-  Residential - 5

Current challenges with day placement programs

**Limited day
placement
programs across
Texas**



Students who require these placements must go outside of their communities to access education



ARD committees may consider more restrictive placements to ensure students receive FAPE

Day Placement Program Cooperative Funding Allotment

Texas Education Code (TEC), §48.304, added by House Bill (HB) 2, Article 4, and Senate Bill (SB) 568 in the 89th Regular Session

Goal: increase availability of local (same county) day placement programs

Approach

- Create initial funding to expand and develop new programs
- Provide ongoing funding for program sustainability
- Funding will flow to programs annually through FSP

- Any school district, open-enrollment charter school, or ESC can apply for funding as the program administrator for a county.
- Existing day placement programs are permitted to apply for the allotment. In their application they must specify how the existing operation will be expanded to serve the county.
- The program administrator will define daily tuition and services rates. Participating school systems within the county seeking placements will enter into agreements with the program administrator to fund student placements.
- The allotment establishes base operating funds for the program; the program administrator collects tuition from other participating LEAs in the county and uses formula funding for its own students (if the program administrator is a district or charter school) to operate the program.

- **Program Applications will detail:**

- Cooperative partners who have developed and are proposing the program in addition to the program administrator
- Physical locations of the program
- **Program Scope to include:**
 - maximum student capacity for the program
 - student population demographics and disability categories the program will support
 - instructional models or approaches the program will establish to serve students beyond what is available on a regular campus

- **Applications will be scored by at least two reviewers**

- Will be scored by at least two reviewers
- Scored on a 100-point rubric
- Application scores will be combined into an average composite

- **Selection:**

- Applications with an average composite score over 65 are eligible for funding
- Applications will be rank ordered by composite score

- The legislature structured funding to allow for one program funded per county, but TEA may only add up to 20 counties each year.

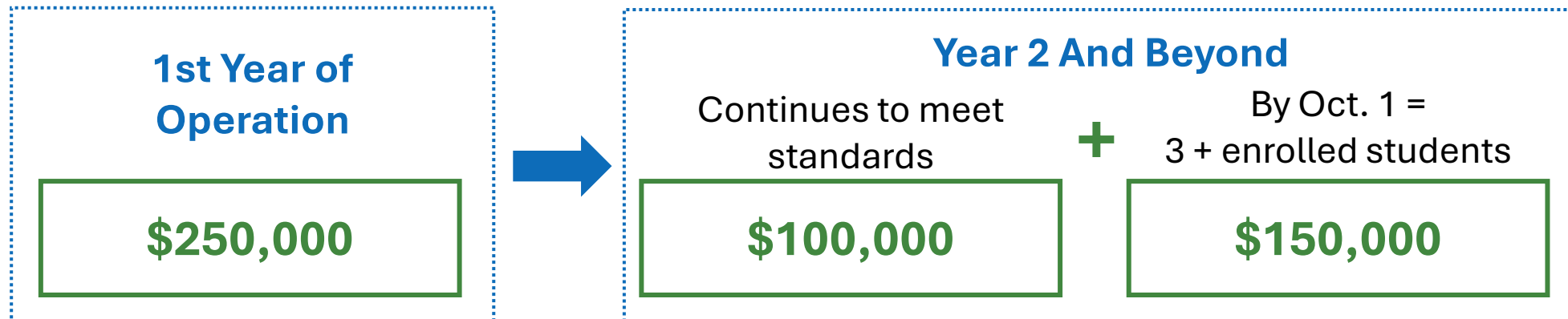
- **One program per county for funding**

- TEA encourages school systems in the same county to work collaboratively and cooperatively to establish programming and submit one application.
- In the event more than one program administrator proposes a program and applies for funding for a county, TEA may outreach the program administrators to encourage collaboration.
- When multiple programs are proposed for one county, the application with the highest average composite score will receive the allotment.

- Unless granted a waiver, approved programs must serve all eligible students within the county where the program operates, consistent with the approved program scope and available capacity.
- Must operate in compliance with all applicable state and federal requirements, including 19 TAC §89.1094 and TEC §48.304.
- Must meet the minimum standards established by TEA under TEC §29.008.

Cooperative Funding Allotment

- Approved programs will receive \$250,000 for the first year of operation.
- Programs that continue to meet established minimum standards and TEA requirements are eligible for subsequent funding annually as follows:
 - \$100,000 base funding
 - An additional \$150,000 if the program has 3 or more enrolled students by 10/1 of the next school year
- Funds to operate and maintain programs will be a combination of fixed funds provided through the allotment, and variable funds based on utilization that will include formula funding for the program administrator's students and tuition rates paid by participating LEAs.



Timeline for 2026-2027 SY

2026				
May	June	July	Aug.	Sept.
RULEMAKING				
TEA hosts webinar TEA releases a TAA on funding and Minimum Standards Application opens by 5/15/26 TEA open office hours May 28, 2026 1:00 - 2:00 p.m. Proposed rule amendments posted	TEA open office hours June 11, 2026 11:00 a.m. - noon TEA provides technical assistance and support to school systems applying for funding June 26 Application closes	July 15 TEA issues preliminary award notifications	Rule Effective TEA provides formal award notifications within 2 weeks of rule effective date	

Timeline for 2026-2027 SY

2026		2027			
Nov	Dec	Jan	March	Aug	Sept
TEA hosts webinar on funding allotment TEA releases a TAA on funding allotment Application opens by 11/15/26	TEA hosts Q&A sessions and provides technical assistance for eligible applicants	Applications close 1/29/2027	By 3/1/2027 TEA notifies programs of funding for the 2027-2028 SY (up to 20)	School year starts and programs begin operating	9/1/2027 Programs funded during the 2026-2027 SY will report enrollment data to identify subsequent year funding allotments

Key Takeaways of TEC 48.304

What it does:

Provides funding to establish and expand day placement program availability at the county level.

Who may apply:

School districts, open-enrollment charter schools, or ESCs. Existing programs may apply but will need to focus their application on how they will expand to serve the county.

Where programs will operate:

TEA may designate no more than one qualifying day placement program per county and up to 20 per year (9/1-8/31).

Who is served:

Any student from a school system within the county for which an approved program operates is eligible to attend the program as long as there is capacity and the student meets the designated parameters defined in the program scope.

Funding:

\$250,000 for the first year of operation; in subsequent years, \$100,000 base funding plus an additional \$150,000 with 3+ enrolled students by 10/1 of the next school year.

Day Placement Program Rules Also Being Revised

Changes made to TEC 29.008 puts more responsibility on TEA to create a list of approved day and residential placement programs, including developing minimum standards for the operation of each.

[Proposed Rules for Day and Residential Placement Programs](#) (public comment May 15-June 15)

[Minimum Standards and Eligibility Conditions](#)

- [May 14, 2026, TAA on Coop funding allotment](#)
- [Guidance around the new funding allotment](#)
- The [minimum standards](#) for all day and residential placements due to ARD Committee decisions, as required by [TEC, §29.008](#);

Thank you



DayProgramFunding@tea.texas.gov



[Special Education Day and
Residential Programs](#)

DAY PLACEMENT PROGRAM OR COOPERATIVE FUNDING. (a) For each qualifying day placement program or cooperative that a regional education service center, school district, or open-enrollment charter school establishes, the program or cooperative is entitled to an allotment of:

(1) \$250,000 for the first year of the program's or cooperative's operation; and

(2) the sum of:

(A) \$100,000 for each year of the program's or cooperative's operation after the first year; and

(B) \$150,000 if at least three students are enrolled in the program or cooperative for a year described by Paragraph (A).

(b) A day placement program or cooperative qualifies for purposes of Subsection (a) if:

(1) the program or cooperative complies with commissioner rules adopted for purposes of this section under Section 48.004;

(2) the program or cooperative offers services to students who are enrolled at any school district or open-enrollment charter school in the county in which the program or cooperative is offered, unless the commissioner by rule waives or modifies the requirement under this subdivision for the program or cooperative to serve all students in a county; and

(3) the agency has designated the program or cooperative for service in the county in which the program or cooperative is offered and determined that, at the time of designation, the program or cooperative increases the availability of day placement services in the county.

(c) The agency may not designate more than one day placement program or cooperative for service per county each year.

(d) The agency may designate a regional education service center to implement and administer this section.

(e) Notwithstanding any other provision of this section, the agency may not provide an allotment under this section to more than 20 day placement programs or cooperatives for a year.