

Potential On-the-Job Funding for Transition Services for Students with Disabilities – September 2022

This document was created to share information about how local education agencies (LEAs) can access funds to support on-the-job training for transition services for students with disabilities. Three sources of potential funding are included below.

1 Special Education Consolidated Grant (Federal)



[Program Guidelines 2022-2023 Special Education Consolidated Grant Application \(Federal\)](#)

Federal funds are authorized by the Individuals with Disabilities Education Act (IDEA), as amended by the IDEA Improvement Act of 2004, Public Law 108-446, Part B and may be used to support students with on-the-job training. The link above is the program guidelines for IDEA-B funds. This document does not replace the program guidelines; LEAs are still responsible for reading and following the program guidelines. This document summarizes critical areas when determining which funds to use for paying for on-the-job funding for transition services for students with disabilities. The program guidelines provide a wealth of information about how federal funds can be utilized. The following highlighted rows on the chart provide examples of when you may use IDEA-B federal funds to pay for on-the-job training for students (Program Guidelines, page 48).

Allowable and Unallowable Other Operating Costs (6400)

6400 Expenditure Items	IDEA-B Formula	IDEA-B Preschool	IDEA-B Discretionary Deaf
Media Advertisement for Child Identification	Y	Y	N
Membership Dues (Business, Professional/ Technical Organizations) (must be in name of LEA; not in name of individual)	Y	Y	Y
Membership Dues in Civic/Community Organizations	N	N	N
Newspaper/Media Advertisement Related to Special Education	Y	Y	Y
Non-employee Stipends (includes student employment)	1	1	1
Out-of-State Travel, must be reasonable and event unavailable in-state (LEA must keep documentation locally)	Y	Y	N
Non-employee Costs for Conferences for Parents and Private School Participants (requires authorization in writing)	Y	Y	Y
Non-employee Costs for Conferences for Contracted Staff (requires authorization in writing)	Y	Y	Y
Publication and Printing Costs	Y	Y	Y
RDSPD Fee/Tuition	3	3	N
Special Olympics (registration fees, transportation/ travel/per diem), does not require specific approval	Y	Y	Y
Stipends for non- employees (includes student employment) (requires authorization in writing)	Y	Y	Y
Student Employment	1	N	1
Transportation Costs, Nonstudents	Y	Y	Y
Transportation Costs, Students with Disabilities, Excess Costs Only	Y	Y	Y

Legend: Y=Allowable, N=Not Allowable , 1 - See program guidelines pages 45-46 related to student employment

This section has information pulled from the program guidelines explaining allowable/non-allowable expenditures for any nonemployee costs, including on-the-job funding for transition services for students with disabilities.

Allowable/Non-allowable Expenditures – Class/Object Code 6400

(Program Guidelines, pgs. 45-46)

- Stipends for nonemployees require specific approval.
- Student employment: The cost of employment of students with disabilities by the LEA (34 CFR 300.107(b)) is allowable with IDEA-B funds only if the employment is related to or in addition to the student's course of study and in conjunction with the student's transition plan. The general supplement, not supplant requirement for IDEA funds in 34 CFR 300.202(a)(3) states that funds provided to LEAs under Part B of the IDEA must be used to supplement State, local, and other Federal funds and not to supplant those funds.

If an LEA chooses to use IDEA-B funds to employ students with disabilities for instructional purposes, it must comply with the non-supplant requirement. If the LEA benefits from the services provided by the students with disabilities, IDEA-B funds cannot be used. Instead, the LEA must use the same fund sources used to employ students who are not disabled.

Factors that would indicate that the LEA benefited from the services include, but are not limited to, the following:

- Regular employees have been displaced.
- Vacant positions have been filled with the participants rather than with regular employees.
- Regular employees have been relieved of assigned duties.
- Participants are performing services that, although not ordinarily performed by employees, are clearly of benefit to the LEA.
- Placements of participants are made to accommodate the labor needs of the LEA rather than according to the requirements of the student's individualized education program (IEP).



Detailed guidelines have been developed by the Federal government to help employers determine employment vs. educational relationships, child labor requirements of the Fair Labor Standards Act, as well as Internal Revenue Service reporting requirements. It is the responsibility of the LEA to follow Federal and State laws and regulations.

2 Texas Workforce Commission—Vocational Rehabilitation (TWC-VR)



[Vocational Rehabilitation — Youth & Students | Texas Workforce Commission](#)



TWC-VR has a funding source to pay for internships and other coordinated services that are intended to help students reach successful employment. The link above will take you to the TWC-VR website with information about Pre-Employment Transition Services (Pre-ETS) that may provide if the student is eligible. Contact your local VR counselor for coordination. Payment made by TWC-VR may be provided but must be aligned with the IEP and transition goals.

3 Local Funds

In addition to federal funds and TWC-VR funds, LEAs have the option to use local funds which are more flexible and do not have the same restrictions as federal funds. LEAs are still required to follow child labor requirements of the Fair Labor Standards Act, as well as Internal Revenue Service reporting requirements and any other state or federal requirements.



For more information about on-the-job training benefits for students with disabilities, please click on this [link](#).