New Instructional Facility Allotment (NIFA)

Texas Education Code (TEC) and Texas Administrative Code (TAC) References: TEC, §42.158; 19 TAC §61.1034

History/Relevant Background Information: The TEC, §42.158, enacted by Senate Bill 4 of the 76th Texas Legislature, 1999, created the New Instructional Facility Allotment (NIFA) for public school districts. The legislature did not provide funding under this allotment for the 2011–2012 through 2014-2015 school years. However, funding has been made available for the 2015–2016 through 2018–2019 school years. The 85th Legislature made changes to the statute in HB 1081 that are included in this document. The NIFA is provided for operational expenses associated with the opening of a new instructional facility and is available to all public school districts and open-enrollment charter schools that construct new instructional facilities that meet the requirements of the statute and rules.

Description of Program: The NIFA provides support for opening a new campus through a reimbursement of up to $1,000 per student in average daily attendance (ADA) in the first year of operation of the new campus, plus up to $1,000 for each additional student in ADA in the second year of operation. New instructional facilities, repurposed instructional facilities and leased facilities operating for the first time as an instructional facility with a minimum lease term of not less than 10 years are eligible for funding.

The total amount appropriated for the program is limited by statute to $23.75 million per year. There are no spending requirements associated with this allotment.

Any school district or charter school, including a district required to act under Chapter 41, Education Code may receive the benefit of the allotment.

To be eligible for the NIFA:
- The facility for which funds are requested must be used for teaching the curriculum required by the Chapter 28, Education Code and must be:
  - a newly constructed instructional facility,
  - a repurposed instructional facility, or
  - a leased facility operating for the first time as an instructional facility with a minimum lease term of not less than 10 years.
- The new facility must have its own campus ID number as designated by the Texas Education Agency (TEA).
- The new facility must have its own principal or be eligible to receive an accountability rating through standard analysis as described in the most current Accountability Manual.
- The new facility must have its own assigned instructional staff and instructional program distinct from other facilities.
- The new facility must have its own record of expenditures that is not a subset of another school budget and attendance data that can be reported for those students assigned to its campus.
- The new facility must be physically separate from other existing school structures. However, a covered walkway may connect the new facility to another building.

The NIFA application is available online through the Foundation School Program (FSP) Payment System; all NIFA applications must be submitted through this system. A Texas Education Agency Secure Environment (TEASE) user ID and password are required to access the FSP Payment System. Announcements are sent to all FSP users when the NIFA online application becomes active.

Applicants must provide information about the number of instructional days for the district, the number of instructional days on the eligible campus, the projected enrollment of the eligible campus, and the expected first and last days of instruction on the eligible campus.

In addition districts must submit certain required documentation to the TEA by July 15. Required documentation includes a legal document clearly showing the nature and dates of construction, and a brief description and photograph of the new campus.

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