

The Texas Education Agency (TEA) proposes an amendment to §129.1025, concerning the student attendance accounting handbook. The proposed amendment would adopt by reference the *2025-2026 Student Attendance Accounting Handbook*. The handbook provides student attendance accounting rules for school districts and charter schools.

BACKGROUND INFORMATION AND JUSTIFICATION: TEA has adopted its student attendance accounting handbook (SAAH) in rule since 2000. Attendance accounting evolves from year to year, so the intention is to annually update §129.1025 to refer to the most recently published SAAH.

Each annual SAAH provides school districts and charter schools with the Foundation School Program (FSP) eligibility requirements of all students, prescribes the minimum requirements of all student attendance accounting systems, lists the documentation requirements for attendance audit purposes, and details the responsibilities of all district personnel involved in student attendance accounting. TEA distributes FSP resources under the procedures specified in each current SAAH. The final version of the SAAH is published on the TEA website. A supplement, if necessary, is also published on the TEA website.

The proposed amendment to §129.1025 would adopt by reference the SAAH for the 2025-2026 school year. The proposed handbook, including a change document with a comprehensive list of proposed changes, is available on the TEA website at <https://tea.texas.gov/finance-and-grants/financial-compliance/student-attendance-accounting-handbook>.

Significant changes to the *2025-2026 Student Attendance Accounting Handbook* would include the following.

#### *Section 1, Overview*

Texas Education Code (TEC), Chapter 48, specifically §48.008, establishes the requirements for adopting an attendance accounting system and reporting attendance accounting data through Texas Student Data System Public Education Information Management (TSDS PEIMS). The following changes implement reporting requirements for attendance and funding.

The description of Section 12 of the handbook would be revised to include virtual and hybrid instruction in courses and programs offered by the Texas Virtual School Network (TXVSN).

#### *Section 2, Audit Requirements*

TEC, Chapter 48, specifically §48.004, establishes the requirements for violation of presenting reports that contain false information. TEC, §48.004, authorizes the commissioner of education to require audit reports to be submitted for review and analysis. TEC, §44.010, allows for the review of budget, fiscal, and audit reports to determine whether all legal requirements have been met. The following changes implement reporting for audit requirements to account for attendance and funding.

Student identification data elements would be revised to include gender codes, English as a Second Language (ESL) program types (Section 6), gifted/talented indicators (Section 8), and Pregnancy-Related Services (PRS) indicators (Section 9), where applicable. In items 22 and 23 of the list of required data items, Student Detail Reposts would be revised to include full-time equivalent (FTE) calculations for all special programs. Special program documentation would be updated to include proof of service (for example, a doctor's note for pregnancy notification).

#### *Section 3, General Attendance Requirements*

TEC, §25.081, and Chapter 48, specifically §48.005, establish the general parameters for attendance and school operation. The following changes would implement reporting requirements for attendance and funding.

Language would be revised to state that districts offering full-day prekindergarten (pre-K) for eligible four-year-olds must provide 75,600 operational minutes. Language would be revised to state that average daily attendance (ADA) code 0 Enrolled, Not in Membership applies to students in private or non-district early childhood programs receiving district services (e.g., speech therapy) and private school students (ages 5-21 years old) receiving special education

through an individualized services plan. Language would be added to state that a student with a disability may receive special education services through age 21 if the district determines they met Texas criteria after earning a diploma elsewhere. The district must evaluate the transcript and confirm funding eligibility. Language listing the conditions used to determine if a student should have assigned the StudentCharacteristic 02 (Immigrant) element code for TSDS PEIMS reporting purposes would be revised. Contact information for noncompliance reporting would be updated. Language would be revised to state that a student is ineligible for ADA if assigned out of school suspension on the first day of school. Language would be revised to state that a student experiencing homelessness or a student who is in foster care should be admitted temporarily for 30 days, even if acceptable evidence of vaccination is not available. Language would be added to state that, beginning in the 2026-2027 school year, district calendars must include extra minutes or makeup days for at least two missed days due to bad weather or health and safety concerns. Language would be revised to state that a student should not be withdrawn if the student is being excused from attendance due to a serious or life-threatening illness. Language would be updated to specify that waiver rules that apply to the whole district now apply also to individual campuses. Language would be revised to address campus closures due to unforeseen circumstances.

#### *Section 4, Special Education*

TEC, Chapter 48, specifically §48.102, authorizes funding for special education in certain circumstances. TEC, §48.004, authorizes the commissioner to require reports that may be necessary to implement and administer the FSP. The following changes would implement reporting for special education to account for attendance and funding.

The ADA eligibility code for private or homeschool students between the ages of 5-21 years would be revised. Language concerning instructional setting codes would be updated for clarification. Language concerning reporting requirements for students reported with instructional setting code 00 would be updated. Language would be revised to correct requirements for placing a student receiving special education services in a homebound setting. Language would be revised to clarify the eligible ADA code for students receiving special education services who are five years of age or older and being served in a homebound setting. Language would be revised to provide additional guidelines for instructional setting codes, and A/B block schedule. Language referencing the attribution code for the Texas School for the Deaf, speech therapy, and Special Education Program Services 23, 24, and 25 would be updated to align with the new Texas Education Data Standards (TEDS). Language would be revised to state that, starting in the 2025-2026 school year, special education and related services for eligible children with disabilities aged three through five would be provided through Early Childhood Special Education (ECSE), and not in kindergarten. Revisions would be made to codes, examples, and special education terminology to align with TEDS.

#### *Section 5, Career and Technical Education (CTE)*

TEC, Chapter 48, including §48.106, authorizes funding for career and technical education (CTE) in certain circumstances. TEC, Chapter 29, Subchapter F, establishes general parameters for CTE programs. TEC, §48.004, authorizes the commissioner to require reports as may be necessary to implement and administer the FSP. The following changes would implement reporting for CTE to account for attendance and funding.

As specified in section 5.10, Documentation, a requirement would be added that local education agencies (LEAs) must maintain documentation showing a minimum of 45 minutes per day for each CTE course. Clarifications would be made to areas concerning CTE course state-weighted funding, how CTE contact hours are earned, and continuing CTE contact hours for students participating in paid or unpaid work-based instruction. Text concerning contracting with other entities to provide CTE courses would be removed. The term "service id" would be replaced with "course code," and the section would include a reference to the singular training plan form. In addition, the proposed new language would add a requirement for student reports to be recorded using the TSDS PEIMS Course Transcript Entity when they complete a semester of a course. Updates would be made to TAC links in the footnotes and a course name, and new examples and references to those would be included.

#### *Section 6, Bilingual/English as a Second Language (ESL)*

TEC, Chapter 48, specifically §48.105, authorizes funding for bilingual or special language programs in certain circumstances. TEC, Chapter 29, Subchapter B, establishes general parameters for bilingual and special language programs. TEC, §48.004, authorizes the commissioner to require reports as may be necessary to implement and

administer the FSP. The following changes would implement reporting for bilingual and special language programs to account for attendance and funding.

Language would be updated in this section to align with recently revised commissioner's rules as well as the TSDS PEIMS data descriptions. Language would be revised to state that a district may offer a bilingual program beyond required grade levels or before reaching the minimum emergent bilingual (EB) student requirement. Language would be revised to state that English for speakers of other languages (ESOL) programs I and II must be taught by certified teachers with ESL or bilingual certification. Language would be revised to state that each student in a bilingual or ESL program, or under an alternative methods descriptor, must be identified with the appropriate descriptor in the attendance accounting system. Language would be revised to state that bilingual/ESL eligible days must be removed if a student is in a disciplinary setting for over five days without receiving equivalent services from a certified teacher. Language would be updated to clarify exit procedures, monitoring of reclassified students, Home Language Survey (HLS) requirements, and Texas English Language Proficiency Assessment System (TELPAS) scores to align with recently revised commissioner's rules as well as the TSDS PEIMS data descriptions. Language would be revised to state that a district must promptly record the appropriate bilingual, ESL, or alternative method descriptor once a student meets eligibility requirements.

#### *Section 7, Prekindergarten (Pre-K)*

TEC, Chapter 29, Subchapter E, establishes special general parameters for pre-K programs. TEC, Chapter 48, including §48.005, establishes ADA requirements and authorizes funding for certain circumstances. TEC, §48.004, authorizes the commissioner to require reports that may be necessary to implement and administer the FSP. The following changes would implement reporting for pre-K to account for attendance and funding.

Language would be revised to reflect student eligibility for free public pre-K. Language would be revised to state that a district must submit required documentation to the Texas Department of Agriculture (TDA) to qualify a student for the Nation School Lunch Program (NSLP) and code an eligible pre-K student as economically disadvantaged for state compensatory education funding. Examples in section 7.6.1 would be updated.

#### *Section 8, Gifted/Talented*

TEC, Chapter 29, Subchapter A, establishes parameters for nontraditional programs. TEC, Chapter 48, including §48.005, establishes ADA requirements and authorizes funding for certain circumstances. TEC, §48.004, authorizes the commissioner to require reports that may be necessary to implement and administer the FSP. The following changes would implement reporting for gifted/talented to account for attendance and funding.

Language regarding enrollment and withdrawal procedures and examples to align with TEDS would be updated.

#### *Section 9, Pregnancy-Related Services (PRS)*

TEC, Chapter 48, including §48.104, authorizes funding under certain circumstances for students who are pregnant. TEC, §48.004, authorizes the commissioner to adopt reports that may be necessary to implement and administer the FSP. The following changes would implement reporting for PRS to account for attendance and funding.

Language would be revised to state that Student Detail Reports must include a PRS indicator for all students served in the PRS program and eligible for state funding. Language regarding test administration procedures when a student is in a compensatory education home instruction (CEHI) program setting would be clarified.

#### *Section 10, Alternative Education Programs (AEPS) and Disciplinary Removals*

TEC, Chapter 48, specifically §48.270, establishes the requirements for violation of presenting reports that contain false information. TEC, §48.004, authorizes the commissioner to adopt reports that may be necessary to implement and administer the FSP. TEC, §44.010, allows for the review of budget, fiscal, and audit reports to determine whether all legal requirements have been met. The following changes would implement reporting for audit requirements to account for attendance and funding.

Language would be revised to update TSDS PEIMS reporting elements, to update out of school suspension policies to align with the preferred terminology, and to clarify that TEC, Chapter 37, provides statutory discipline requirements, and the TEDS provides reporting guidelines.

#### *Section 11, Nontraditional Programs*

TEC, Chapter 29, Subchapter A, establishes special general parameters for nontraditional programs. TEC, Chapter 48, including §48.005, establishes ADA requirements and authorizes funding for certain circumstances. TEC, §48.004, authorizes the commissioner to require reports that may be necessary to implement and administer the FSP. The following changes would implement reporting for nontraditional programs to account for attendance and funding.

Language would be revised to clarify campus wide school calendar requirements concerning Additional Days School Year (ADSY) and to state that the ADSY waiver follows the same requirements as the missed school day waiver.

#### *Section 12, Virtual, Remote, and Electronic Instruction*

TEC, Chapter 30A, establishes the general parameters for TXVSN. TEC, §30A.153, authorizes funding for TXVSN for the FSP under certain circumstances. TEC, §48.004, authorizes the commissioner to adopt reports that may be necessary to implement and administer the FSP. The following changes would implement reporting for TXVSN to account for attendance and funding.

Revisions would be made to add the expansion of the TXVSN program and course catalog to include Grades 6-12; to outline enrollment, funding eligibility, and successful course completion requirements; to describe expansion of TXVSN online schools (OLS) to Grades 3-8 and 9-12; and to specify that student enrollment in TXVSN courses or OLS programs does not prevent a district from serving students in special programs like special education, CTE, bilingual/ESL, or PRS, nor from receiving weighted funding if all program requirements are met. Language would be revised to state that a school district or open-enrollment charter school must not require a student to enroll in an electronic course. Clarification would be made regarding remote synchronous instruction and the application for remote homebound or remote conferencing waivers for both general education students and students receiving special education services. Language concerning schools with TXVSN waivers or approved remote or hybrid dropout recovery programs for on campus online courses would be clarified.

#### *Glossary*

Definitions would be updated along with the link to the TSDS PEIMS webpage. A link would be added to the Every Student Succeeds Act (ESSA) webpage.

**FISCAL IMPACT:** Amy Copeland, chief school finance officer and associate commissioner for school finance, has determined that for the first five-year period the proposal is in effect, there are no additional costs to state or local government, including school districts and open-enrollment charter schools, required to comply with the proposal.

**LOCAL EMPLOYMENT IMPACT:** The proposal has no effect on local economy; therefore, no local employment impact statement is required under Texas Government Code, §2001.022.

**SMALL BUSINESS, MICROBUSINESS, AND RURAL COMMUNITY IMPACT:** The proposal has no direct adverse economic impact for small businesses, microbusinesses, or rural communities; therefore, no regulatory flexibility analysis, specified in Texas Government Code, §2006.002, is required.

**COST INCREASE TO REGULATED PERSONS:** The proposal does not impose a cost on regulated persons, another state agency, a special district, or a local government and, therefore, is not subject to Texas Government Code, §2001.0045.

**TAKINGS IMPACT ASSESSMENT:** The proposal does not impose a burden on private real property and, therefore, does not constitute a taking under Texas Government Code, §2007.043.

**GOVERNMENT GROWTH IMPACT:** TEA staff prepared a Government Growth Impact Statement assessment for this proposed rulemaking. During the first five years the proposed rulemaking would be in effect, it would expand and limit an existing regulation. The proposed changes to the *2025-2026 Student Attendance Accounting Handbook* would amend requirements and provide clarity regarding student attendance accounting procedures. In some instances, the proposed changes would add information, and in some instances, information would be removed.

The proposed rulemaking would not create or eliminate a government program; would not require the creation of new employee positions or elimination of existing employee positions; would not require an increase or decrease in future legislative appropriations to the agency; would not require an increase or decrease in fees paid to the agency; would not create a new regulation; would not repeal an existing regulation; would not increase or decrease the number of individuals subject to its applicability; and would not positively or adversely affect the state's economy.

**PUBLIC BENEFIT AND COST TO PERSONS:** Ms. Copeland has determined that for each year of the first five years the proposal is in effect, the public benefit anticipated as a result of enforcing the proposal would be to continue to inform the public of the existence of annual publications specifying attendance accounting procedures for school districts and charter schools. There is no anticipated economic cost to persons who are required to comply with the proposal. There is no anticipated economic cost to persons who are required to comply with the proposal.

**DATA AND REPORTING IMPACT:** The proposal would have no data and reporting impact.

**PRINCIPAL AND CLASSROOM TEACHER PAPERWORK REQUIREMENTS:** TEA has determined that the proposal would not require a written report or other paperwork to be completed by a principal or classroom teacher.

**PUBLIC COMMENTS:** The public comment period on the proposal begins June 27, 2025, and ends July 28, 2025. A request for a public hearing on the proposal submitted under the Administrative Procedure Act must be received by the commissioner of education not more than 14 calendar days after notice of the proposal has been published in the *Texas Register* on June 27, 2025. A form for submitting public comments is available on the TEA website at [https://tea.texas.gov/About\\_TEA/Laws\\_and\\_Rules/Commissioner\\_Rules\\_\(TAC\)/Proposed\\_Commissioner\\_of\\_Education\\_Rules/](https://tea.texas.gov/About_TEA/Laws_and_Rules/Commissioner_Rules_(TAC)/Proposed_Commissioner_of_Education_Rules/).

**STATUTORY AUTHORITY.** The amendment is proposed under Texas Education Code (TEC), §7.055(b)(35), which states that the commissioner shall perform duties in connection with the Foundation School Program (FSP) as prescribed by TEC, Chapter 48; TEC, §12.251, which states the definition of adult high school charter school programs; TEC, §25.001, which states that a school district must allow for an active duty member of the armed forces of the United States to be allowed 90 days to provide proof of residency; TEC, §25.0344, which states that a parent serving as a peace officer or service member may request a transfer to a district and campus of their choice; TEC, §25.081, which states that, for each school year, each school district must operate so that the district provides for at least 75,600 minutes, including time allocated for instruction, intermissions, and recesses, for students. TEC, §25.081(d), authorizes the commissioner to adopt rules to implement the section. TEC, §25.081(g), states that a school district may not provide student instruction on Memorial Day but that if a school district would be required to provide student instruction on Memorial Day to compensate for minutes of instruction lost because of school closures caused by disaster, flood, extreme weather conditions, fuel curtailment, or another calamity, the commissioner shall approve the instruction of students for fewer than the number of minutes required under TEC, §25.081(a); TEC, §25.0812, which states that school districts may not schedule the last day of school for students before May 15; TEC, §25.087, which provides purposes for which a school district shall excuse a student from attending school; TEC, §28.02124, which states that a parent may request that a student repeat a course for high school credit; TEC, §29.081, which states that attendance accounting and FSP funding for Optional Flexible School Day Program (OFSDP) participation may be generated through a remote or hybrid dropout recovery education program; TEC, §29.0822, which enables a school district to provide a program under this section that meets the needs of students described by TEC, §29.0822(a), for a school district that meets application requirements, including allowing a student to enroll in a dropout recovery program in which courses are conducted online. TEC, §29.0822, authorizes the commissioner to adopt rules for the administration of the section; TEC, §30A.153, which states that, subject to the limitation imposed under TEC, §30A.153(a-1), a school district or open-enrollment charter school in which a student is enrolled is entitled to funding under TEC, Chapter 48, or in accordance with the terms of a charter granted under TEC, §12.101, for the student's enrollment in an electronic course offered through the state virtual

school network in the same manner that the district or school is entitled to funding for the student's enrollment in courses provided in a traditional classroom setting, provided that the student successfully completes the electronic course. TEC, §30A.153(d), authorizes the commissioner to adopt rules necessary to implement the section, including rules regarding student attendance accounting; TEC, §48.004, which states that the commissioner shall adopt rules, take action, and require reports consistent with TEC, Chapter 48, as necessary to implement and administer the FSP; TEC, §48.005, which states that average daily attendance (ADA) is the quotient of the sum of attendance for each day of the minimum number of days of instruction as described under TEC, §25.081(a), divided by the minimum number of days of instruction. TEC, §48.005(m), authorizes the commissioner to adopt rules necessary to implement the section. Subsections (m-1) and (m-2) address virtual or remote instruction-related funding; TEC, §48.102, which states that for each student in ADA in a special education program under TEC, Chapter 29, Subchapter A, in a mainstream instructional arrangement, a school district is entitled to an annual allotment equal to the adjusted basic allotment multiplied by 1.15. For each full-time equivalent student in ADA in a special education program under TEC, Chapter 29, Subchapter A, in an instructional arrangement other than a mainstream instructional arrangement, a district is entitled to an annual allotment equal to the adjusted basic allotment multiplied by a weight determined according to its instructional arrangement; TEC, §48.103, which states that for each student that a district serves who has been identified as having dyslexia or a related disorder, the district is entitled to an annual allotment equal to the basic allotment multiplied by 0.1 or a greater amount provided by appropriation; TEC, §48.104, which states that for each student who does not have a disability and resides in a residential placement facility in a district in which the student's parent or legal guardian does not reside, a district is entitled to an annual allotment equal to the basic allotment multiplied by 0.2 or, if the student is educationally disadvantaged, 0.275. For each full-time equivalent student who is in a remedial and support program under TEC, §29.081, because the student is pregnant, a district is entitled to an annual allotment equal to the basic allotment multiplied 2.41; TEC, §48.105, which states that for each student in ADA in a bilingual education or special language program under TEC, Chapter 29, Subchapter B, a district is entitled to an annual allotment equal to the adjusted basic allotment multiplied by 0.1 or 0.15 if the student is in a bilingual education program using a dual language immersion/one-way or two-way program model, and for students not described in subdivision (1), 0.05 if the student is in bilingual education program using a dual language immersion/two-way program model; TEC, §48.106, which states that for each full-time equivalent student in ADA in an approved career and technology education program in Grades 7-12 or in career and technology education programs, a district is entitled to an annual allotment equal to the basic allotment multiplied by a weight of 1.35 and \$50 for each student that is enrolled in two or more advanced career and technology classes for a total of three or more credits; a campus designated as a Pathways in Technology Early College High School (P-TECH) school under TEC, §29.556; or a campus that is a member of the New Tech Network and that focuses on project-based learning and work-based education; TEC, §48.108, which states that for each student in ADA in Kindergarten-Grade 3, a district is entitled to an annual allotment equal to the basic allotment multiplied by 0.1 if the student is educationally disadvantaged or a student of limited English proficiency, as defined by TEC, §29.052, and in bilingual education or special language program under TEC, Chapter 29, Subchapter B; TEC, §48.109, which states that for each student in the gifted and talented category, the district is entitled to an annual allotment equal to the basic allotment multiplied by 0.07 for each school year or a greater amount provided by appropriation. If by the end of the 12th month after receiving an allotment for developing a program a district has failed to implement a program, the district must refund the amount of the allotment to the agency within 30 days. Not more than five percent of a district's students in ADA are eligible for funding under this section. If the state funds exceed the amount of state funds appropriated in any year for the programs, the commissioner shall reduce the districts tier one allotment. If funds are less than the total amount appropriated for the school year, the commissioner shall transfer the remainder to any program. After each district has received allotted funds for this program, the State Board of Education may use up to \$500,000 of the funds allocated under this section for other programs; TEC, §48.270, which states that when, in the opinion of the agency's director of school audits, audits or reviews of accounting, enrollment, or other records of a school district reveal deliberate falsification of the records, or violation of the provisions of TEC, Chapter 48, through which the district's share of state funds allocated under the authority of this chapter would be, or has been, illegally increased, the director shall promptly and fully report the fact to the State Board of Education, the state auditor, and the appropriate county attorney, district attorney, or criminal district attorney; and TEC, §49.204, which states that a school district with a local revenue in excess of entitlement may reduce the district's local revenue level by serving nonresident students who transfer to the district and are educated by the district but who are not charged tuition.

CROSS REFERENCE TO STATUTE. The amendment implements Texas Education Code, §§7.055(b)(35), 12.251, 25.001, 25.0344, 25.081, 25.0812, 25.087, 28.02124, 29.081; 29.0822, 30A.153, 48.004, 48.005, 48.102, 48.103, 48.104, 48.105, 48.106, 48.108, 48.109, 48.270, and 49.204.

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§129.1025. Adoption by Reference: Student Attendance Accounting Handbook.

- (a) The student attendance accounting guidelines and procedures established by the commissioner of education under §129.21 of this title (relating to Requirements for Student Attendance Accounting for State Funding Purposes) and the Texas Education Code, §48.004, to be used by school districts and charter schools to maintain records and make reports on student attendance and student participation in special programs will be published annually.
- (b) The standard procedures that school districts and charter schools must use to maintain records and make reports on student attendance and student participation in special programs for school year 2025-2026 [~~2024-2025~~] are described in the official Texas Education Agency (TEA) publication 2025-2026 [~~2024-2025~~] *Student Attendance Accounting Handbook*, which is adopted by this reference as the agency's official rule. A copy of the 2025-2026 [~~2024-2025~~] *Student Attendance Accounting Handbook* is available on the TEA website with information related to financial compliance. The commissioner will amend the 2025-2026 [~~2024-2025~~] *2024-2025 Student Attendance Accounting Handbook* by reference and amend this subsection, as needed.
- (c) Data from previous school years will continue to be subject to the student attendance accounting handbook as the handbook existed in those years.