**Alternative Compensatory Education Allotment Reporting Procedures**

School districts and open-enrollment charter schools may report their eligible students through the alternative compensatory education reporting system if they do not have their income-eligible students reported to the Texas Education Agency through the Child Nutrition Programs administered by the Texas Department of Agriculture.

A school district or open-enrollment charter school must request prior approval from the commissioner of education to claim students receiving a full-time virtual education (through the state virtual school network) in its count of educationally disadvantaged students. Additional requirements for submission of plans detailing the enhanced services that will be provided to the full-time state virtual school network students are forthcoming.

The commissioner’s rules require that school districts and open-enrollment charter schools document the eligibility of students reported through the alternative program and provide for routine audits of that documentation.

**Note:** House Bill 1305 of the 84th Texas Legislature, 2015:

• allows alternative reporting for compensatory education on one or more campuses within the district

• allows locally funded programs for the provision of free or reduced-price meals

• requires a detailed plan for alternative reporting of compensatory education if a virtual campus intends to make use of this provision

**Law and Rules**

• Texas Education Code: [§48.104(f), Compensatory Education Allotment](https://statutes.capitol.texas.gov/Docs/ED/htm/ED.48.htm#48.104)

• Commissioner's Rules: [19 Texas Administrative Code §61.1027, Report on the Number of](https://texreg.sos.state.tx.us/public/readtac$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_ploc=&pg=1&p_tac=&ti=19&pt=2&ch=61&rl=1027)

[Disadvantaged Students](https://texreg.sos.state.tx.us/public/readtac$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_ploc=&pg=1&p_tac=&ti=19&pt=2&ch=61&rl=1027)

**District Responsibilities**

If your school district or open-enrollment charter school receives funding from the alternative compensatory education allotment, it is responsible for obtaining the appropriate data from the families of potentially eligible students, verifying the information, and retaining records. The TEA will conduct an audit of the data submitted by districts and charter schools. For this reason, your district or charter school should retain records for a minimum of five years after the end of each school year.

**Sample Letters, Forms, and Instructions**

Vew the most current list of sample letters, forms, and instructions on the [SCE webpage](https://tea.texas.gov/finance-and-grants/financial-compliance/state-compensatory-education) under this same heading.