



To the Administrator Addressed

Commissioner Mike Morath

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DATE:	July 2, 2020
SUBJECT:	Updates to Program Intent Codes
CATEGORY:	Program Allotments
NEXT STEPS:	Share with Business and Program Staff

The purpose of this letter is to inform local educational agencies (LEAs), including school districts and open-enrollment charter schools, that a new program intent code (PIC) will be added to the 2020–2021 Texas Education Data Standards (TEDS) PEIMS Program Intent Code, code table (C147) effective with the 2020–2021 budget financial data submission and the 2021–2022 actual financial data submission. Also, the *Financial Accountability System Resource Guide* (FASRG), will be updated in the guide’s next adoption to include the new PIC.

NEW Program Intent Code (PIC)		
PIC	Description	Use of Funds
43	Dyslexia – Special Education	<p>A school district or charter school is entitled to an annual allotment for each student that it serves who has been identified as having dyslexia or a related disorder under Texas Education Code (TEC), Section 48.103.</p> <p><i>LEAs must use this PIC for expenditures associated with serving a student who has an Individualized Education Plan (IEP) that specifically states that dyslexia services are required, and the LEA uses the (HB3) dyslexia state allotment to serve that student.</i></p>

The addition of this new code will be used to account for the cost of instruction and other services that are directed toward an identified need of a specific set of students and to determine the intent and the permissible use of the *(HB3) dyslexia state* allotment.

The affected data is in the 20030 Budget Extension, which is included in the PEIMS Fall Submission, and the 20032 Actual Extension, which is included in the PEIMS Midyear Submission.

Other Related PICs

LEAs will continue to use the following PICs for certain dyslexia and special education services:

- PIC 37 – Dyslexia General Education, for services provided by LEAs using *(HB3) dyslexia state* allotment funds to each general education student who has been identified as having dyslexia or a related disorder under TEC, Section 48.103.

- PIC 23 – Services to Students with Disabilities (Special Education) for costs incurred to evaluate and place students and to provide educational or other services to students who have IEPs approved by Admission, Review, and Dismissal (ARD) committees. These plans are based on students' disabilities and learning needs.

Dyslexia Allotment, New PIC 43, and IDEA-B LEA MOE

Federal grant regulations require TEA to ensure that LEAs receiving Individuals with Disabilities Education Act, Part B (IDEA-B) grant funds comply with the IDEA-B LEA Maintenance of Effort (MOE). It further requires TEA to include *all* local and state funds expended for special education and related services in the IDEA-B LEA MOE calculation. LEAs must distinguish between dyslexia expenditures associated with special education students and non-special education students. Therefore, this new PIC will allow this differentiation as described in the [February 27, 2020, TAA letter](#).

During the 2019–2020 school year, LEAs must separately track expenditures coded to PIC 37 that are associated with special education students and those associated with non-special education students. TEA advises LEAs to use a local option code when using PIC 37 to track the expenditures that are associated with providing special education dyslexia services that would qualify as allowable expenditures for IDEA-B LEA MOE. LEAs will be asked to self-report these expenditures to be included in the IDEA-B LEA MOE Compliance Review.

Beginning in 2020–2021, the TEA Federal Fiscal Compliance and Reporting Division will modify its IDEA-B LEA MOE calculation methodology to include PIC 43 expenditures since these will be considered state/local special education expenditures.

Questions

If you have any questions regarding the use of the new PIC, please contact the Division of Financial Compliance by phone at (512) 463-9095 or email schoolaudits@tea.texas.gov or financialaccountability@tea.texas.gov.

If you have any questions regarding IDEA-B LEA MOE, please contact the Federal Fiscal Compliance and Reporting Division phone at (512) 463-9127 or email compliance@tea.texas.gov.

Sincerely,

David Marx, CPA
Director, Financial Compliance