

# To the Administrator Addressed

**Commissioner Mike Morath** 

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DATE:	September 18, 2025
SUBJECT:	House Bill 2 (HB 2) Implementation: Six-week Attendance Reporting
CATEGORY:	Attendance Reporting; Funding Implications
NEXT STEPS:	Share with administrators, business staff, and PEIMS coordinators

This correspondence provides guidance on new attendance reporting requirements directed by House Bill (HB) 2, 89th Texas Legislature, Regular Session, 2025. Specifically, this correspondence outlines data collection, timelines, funding implications, and best practices.

# **Background**

HB 2 modified Texas Education Code (TEC), §48.266, by adding subsection (b-1), which requires the Texas Education Agency (TEA) to adjust average daily attendance (ADA) periodically throughout the school year to reflect school systems' actual ADA reported for each six-week reporting period for Foundation School Program (FSP) funding distribution purposes.

Pursuant to TEC, §48.266(a), <u>attendance projections</u> are still required and form the basis for initial FSP payments, but will now be periodically updated with actual six-week attendance data throughout the school year. Ensuring attendance projections are accurate remains critical as this information impacts the cost of public education (legislative appropriations) and financial accountability.

### **PEIMS Data Collection**

Beginning in school year (SY) 2025–2026, the TEA will collect attendance from school systems throughout the year based on the six-week reporting period. Attendance collection will occur six times during the school year; once for each of the first five six-week reporting periods via the new PEIMS Six Weeks Attendance Submission, and once for the entire school year via the existing PEIMS Summer Submission, which includes:

- A recollection of attendance for the first five six-week reporting periods to allow school systems to review and correct any previously submitted data.
- The collection of attendance for the sixth six-week reporting period.

This approach ensures data accuracy and provides school systems with an opportunity to make necessary corrections before finalizing the annual attendance data. For SY 2025–2026 only, TEA will collect the first through third six-week attendance data in January 2026. During this transition period, TEA will analyze existing attendance reports and data validations to determine which will be added for each six-week submission. Charter schools will continue reporting six-week attendance data through the Charter School Module in the FSP application via the TEA Login (TEAL) application until the first reporting through the PEIMS Six Weeks Attendance Submission becomes available in January 2026.

As noted in the <u>Texas Education Data Standards</u> (TEDS) published on September 2, 2025, specific data collected will include basic and flexible attendance (including data for special populations like bilingual ADA, CTE full-time equivalents (FTEs), and special education FTEs).

# **Timelines**

TEDS contains official reporting timelines and data elements. The following tables summarize the timing of reporting after each six weeks and the incorporation of the attendance data into FSP funding calculations via the Summary of Finances (SOF) reports.

School Year 2025–2026					
Due Date	Reporting Period(s)	PEIMS Notes	SOF Reports Notes*		
01/30/2026	1st – 3rd Six Weeks Attendance	LEAs can begin loading, promoting, and completing the 1st – 3rd Six Weeks Attendance on Monday, January 5, 2026.	Incorporate ~3/10/2026  District Planning Estimate (DPE) only		
<b>03/20/2026</b> (3rd Friday in March)	4th Six Weeks Attendance	2 weeks after the latest EndDate in the Fourth Six Weeks (4) ReportingPeriod (C130) as reported in the ReportingPeriodExt Entity	Incorporate ~5/10/2026  Legislative Planning Estimate (LPE) and DPE		
<b>05/08/2026</b> (2nd Friday in May)	5th Six Weeks Attendance	2 weeks after the latest EndDate in the Fifth Six Weeks (5) ReportingPeriod (C130) as reported in the ReportingPeriodExt Entity	Incorporate ~6/10/2026  LPE and DPE		
06/18/2026 07/16/2026	1st – 6th Six Weeks Attendance	Summer Submission: 06/18/2026 Summer Resubmission: 07/16/2026	Incorporate <b>by 9/10/2026</b> as part of near-final settle up		

<sup>\*</sup> This information is subject to change and will be communicated to LEAs prior to adjustments being made.

School Year 2026–2027					
Due Date	Reporting Period(s)	PEIMS Notes	SOF Reports Notes		
<b>10/09/2026</b> (2nd Friday in October)	1st Six Weeks Attendance	2 weeks after the latest EndDate in the First Six Weeks (1) ReportingPeriod (C130) as reported in the ReportingPeriodExt Entity	Incorporate ~11/10/2026  LPE and DPE		
12/04/2026 (1st Friday in December)	2nd Six Weeks Attendance	2 weeks after the latest EndDate in the Second Six Weeks (2) ReportingPeriod (C130) as reported in the ReportingPeriodExt Entity	Incorporate ~1/10/2027  LPE and DPE		
01/29/2027 (Last Friday in January)	3rd Six Weeks Attendance	2 weeks after the latest EndDate in the Third Six Weeks (3) ReportingPeriod (C130) as reported in the ReportingPeriodExt Entity	Incorporate ~3/10/2027  LPE and DPE		
03/19/2027 (3rd Friday in March)	4th Six Weeks Attendance	2 weeks after the latest EndDate in the Fourth Six Weeks (4) ReportingPeriod (C130) as reported in the ReportingPeriodExt Entity	Incorporate ~4/10/2027  LPE and DPE		
05/14/2027 (2nd Friday in May)	5th Six Weeks Attendance	2 weeks after the latest EndDate in the Fifth Six Weeks (5) ReportingPeriod (C130) as reported in the ReportingPeriodExt Entity	Incorporate ~6/10/2027  LPE and DPE		
06/17/2027 07/15/2027	1st – 6th Six Weeks Attendance	Summer Submission: 06/17/2027 Summer Resubmission: 07/15/2027	Incorporate <b>9/1/2027</b> as part of near-final settle up		

<sup>\*</sup> This information is subject to change and will be communicated to LEAs prior to adjustments being made.

#### **Best Practices**

School systems should implement a process that ensures administrative staff and data experts—such as PEIMS Coordinators, Superintendents, Program Directors, and CFOs/business managers—collaboratively review attendance data for accuracy and completeness before submitting to TEA. The PEIMS Six Weeks Attendance Submission will not have a resubmission option. At a minimum, the process should involve reviewing current-year attendance data against enrollment figures and comparing it to prior-year attendance to identify local trends and assess the reasonableness of the data, as well as its impact on funding allocations.

Data should be published to the Texas Student Data System (TSDS) Individual Operational Data Store (IODS) on a near-real-time basis. Errors, validations, and reports should be reviewed regularly. Please note that once attendance data is submitted through the PEIMS Six Weeks Attendance Submission to TEA, the data will not change until applicable revisions are made during the PEIMS Summer Submission and incorporated at near-final settle up in the September following the end of the school year.

School systems should also regularly run local state aid templates to determine and prepare for impacts to cashflow, review FSP payment schedules, and make necessary budget adjustments during the school year.

## **Funding Implications**

Periodic SOF report incorporation of six-week attendance data will impact school system cashflow; payment schedules will not change, but payment amounts will be adjusted. It is imperative that the PEIMS attendance data submissions are accurate and complete to ensure that school system funding is appropriate and to mitigate large overpayments or underpayments during the settle-up process in September after the school year ends.

While payment class one and payment class two districts will experience a more frequent update in FSP payment cashflow, payment class three districts subject to excess local revenue (recapture) provisions will see a more frequent recalculation in their excess local revenue liability. Ultimately, this change in attendance reporting aims to reduce the variance in FSP entitlements and school system cashflow between the beginning of the fiscal year estimates and the end of the year near-final settle up.

Districts subject to excess local revenue (recapture) provisions that choose to submit seven equal monthly payments during the school year from February 15 through August 15 will continue to remit recapture payments based on their published Option 3 Payment Schedule Report (available by February 15, 2026, for SY 2025-2026). Districts with excess local revenue that choose to remit one lump-sum recapture payment by August 15 may submit the lesser of their Option 3 Payment Schedule Report amount or the Recapture Payment Ledger balance in August 2026.

Please see the <u>July 10 TAA correspondence</u> for more detailed information about the SY 2025–2026 SOF reports, including a full explanation of legislative payment estimates (LPE) and district planning estimates (DPE), payment classes, and the <u>FSP payment schedule</u>.

## **Training and Support**

Additional training for PEIMS Coordinators and SIS vendors will be announced as dates are determined.

Further updates to the SY 2025–2026 SOF reports will be shared via Public School Funding Updates correspondence. Please visit <u>Texas Education Agency Updates</u> to sign up for these email updates. If you have any questions related to the SY 2025–2026 SOF reports, please contact the Division of State Funding, Forecasting and Fiscal Analysis by phone at (512) 463-9238 or email <u>sfinance@tea.texas.gov</u>.

The <u>89th Legislature webpage</u> provides relevant information about the implementation of bills from the 89th Legislature, including HB 2, and will be updated periodically with more information. School systems may email <u>HB2@tea.texas.gov</u> with any additional questions specific to HB 2.