



Day Placement Program Cooperative Funding Allotment

What are day placement programs?

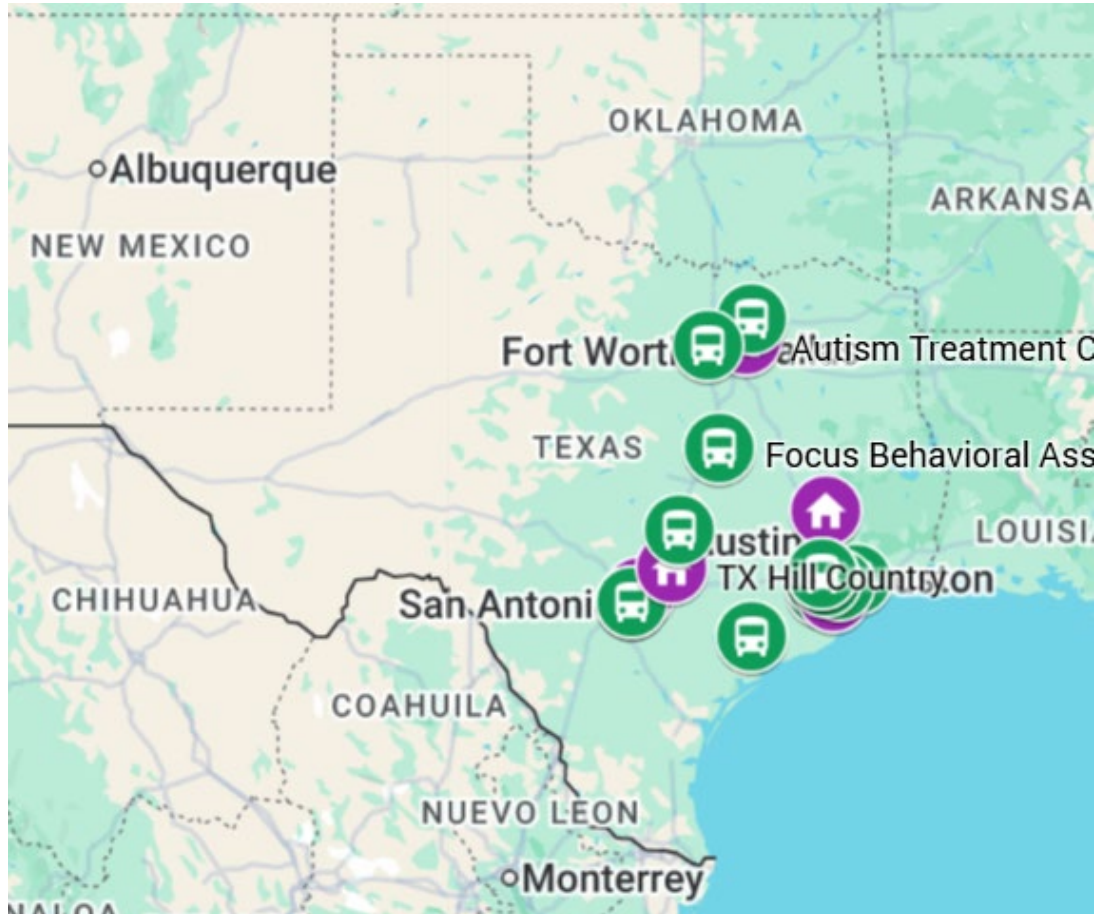
- Day placement programs provide services to students placed by an admission, review, and dismissal (ARD) committee that demonstrate intensive support needs that cannot be met within the standard continuum of services available on a regular school campus.
- Day placement programs deliver highly specialized, evidence-based services, including the use of specialized providers, low student-to-staff ratios, and purpose-built instructional environments, to ensure students can access a free appropriate public education (FAPE).
- Day placement programs are restrictive but sometimes necessary settings. ARD committees at the time of placement - and as the placement is reviewed - establish goals and plans for how a student could return to a less restrictive setting.

Examples of students in day placement programs



- Students with autism who are placed in day placement programs often require **intensive behavioral, and safety supports** due to significant challenges with regulation, communication, and adaptive functioning. These needs may include **self-injurious behavior, aggression, or elopement**, creating safety risks that cannot be adequately managed in traditional school settings.
- Students with emotional or behavioral disabilities placed in day placement programs typically demonstrate **chronic emotional dysregulation and behavior escalation** that significantly interferes with access to instruction. This may include **physical aggression, repeated classroom disruptions, and reliance on emergency-level interventions**, despite multiple attempts in less restrictive environments.
- Students with intellectual disabilities placed in day placement programs often present with **complex cognitive and adaptive support needs**, frequently in combination with autism, traumatic brain injury, or another disability category. These students may also have **behavioral or safety needs requiring close supervision, intensive supports, and specialized instruction** beyond the capacity of a typical campus.

These examples are provided to give context but in no way are intended to imply that students identified with these disabilities are the only students who are placed in these types of programs, nor are the examples intended to imply that students identified with the above disabilities be automatically considered for these placements based on disability category alone. Each decision is made by a student's ARD committee on an individualized, as-needed basis.

Current landscape



Many school systems have limited or no access to day placement programs to support students. Some residential placement programs may also operate as day placement programs.

-  Day - 19
-  Residential - 5

A residential placement is a setting where a student lives and goes to school in a 24-hour program following an ARD committee decision that living there is necessary for the student to receive a free appropriate public education. Because these are placements made by an ARD committee in compliance with special education law, the placement must still be for educational reasons and not driven primarily by medical needs or family issues.

Current challenges with day placement programs

**Limited day
placement
programs across
Texas**



Students who require these placements must go outside of their communities to access education



ARD committees may consider more restrictive placements to ensure students receive FAPE

Texas Education Code (TEC), §48.304, added by House Bill (HB) 2, Article 4, and Senate Bill (SB) 568 in the 89th Regular Session

Goal: increase availability of local (same county) day placement programs

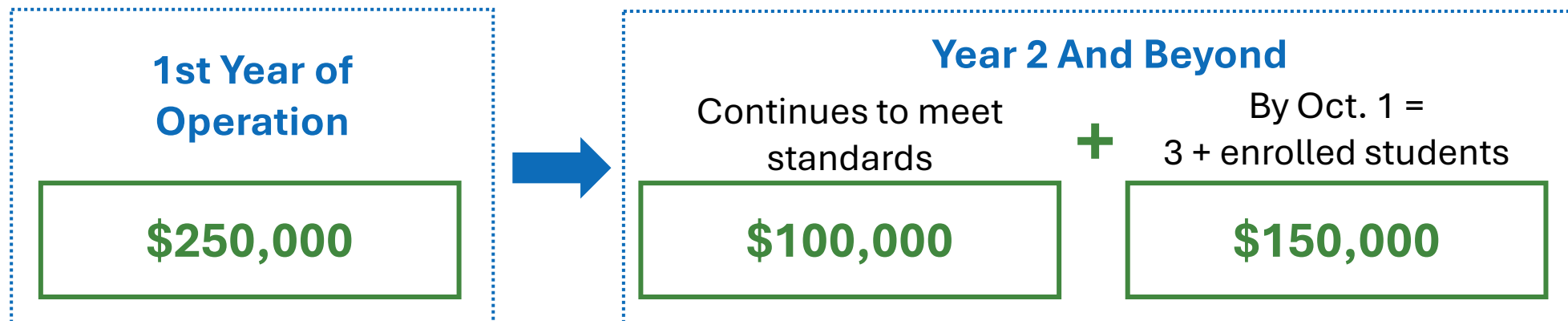
Approach

- Create initial funding to expand and develop new programs (\$250k in startup funding)
- Provide ongoing funding for program sustainability (\$100k-\$250k per year), even if no students are referred, to ensure the availability of the program
- Additional Funding is provided per student annually through new Special Ed Formula funding in the FSP (either directly to the host LEA or via a tuition arrangement)

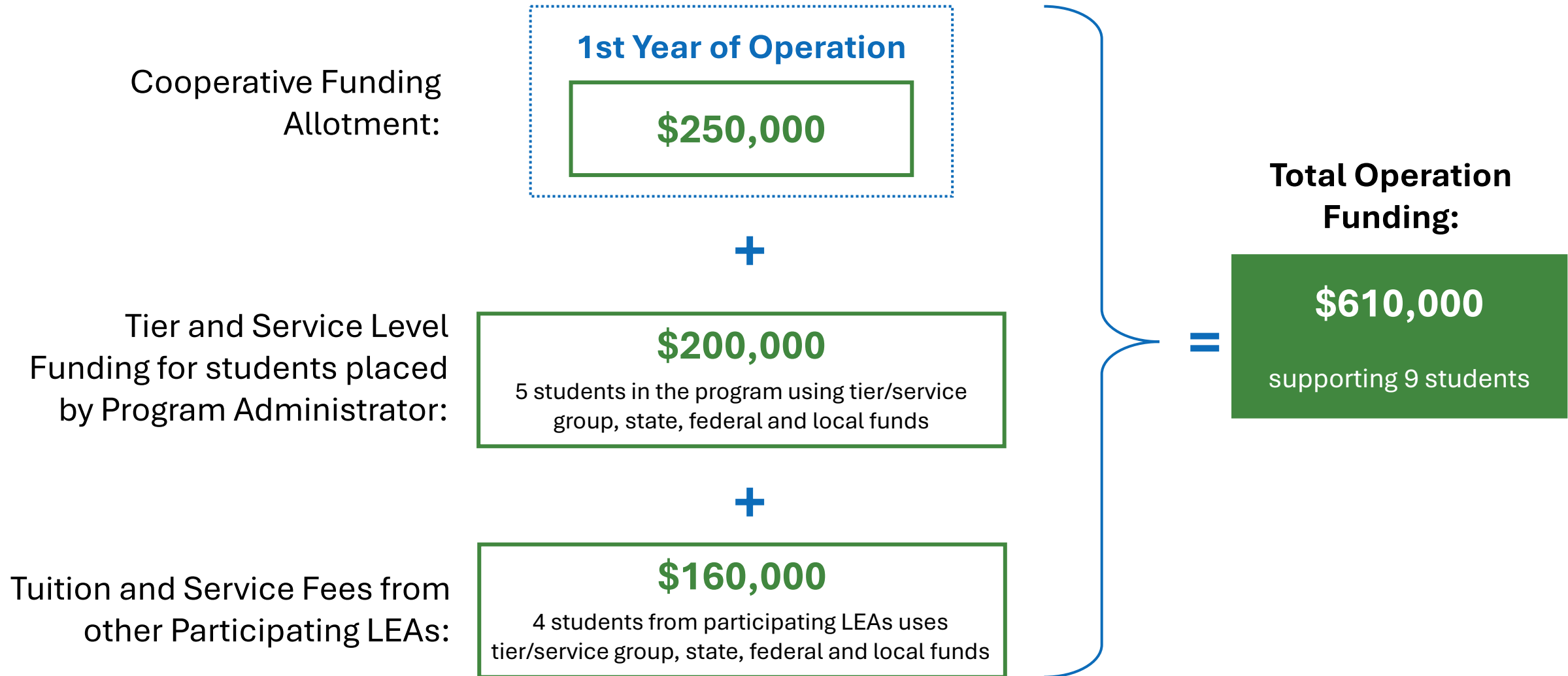
- Any school district, open-enrollment charter school, or ESC can apply for funding as the program administrator for a county.
 - Existing day placement programs are permitted to apply for the allotment. In their application they must specify how the existing operation will be expanded to serve the county.
- The program administrator will define daily tuition and services rates. Participating school systems within the county seeking placements will enter into agreements with the program administrator to fund student placements.
- The allotment establishes base operating funds for the program; additionally:
 - uses new special education formula funding for its own students (if the program administrator is a district or charter school) to operate the program
 - collects tuition from other participating LEAs in the county (who pay that tuition with their own special education formula funding under the new intensity of funding formula)
 - high cost funds may also be accessed

Cooperative Funding Allotment

- Approved programs will receive \$250,000 for the first year of operation.
- Programs that continue to meet established minimum standards and TEA requirements are eligible for subsequent funding annually as follows:
 - \$100,000 base funding
 - An additional \$150,000 if the program has 3 or more enrolled students by 10/1 of the next school year
- Funds to operate and maintain programs will be a combination of fixed funds provided through the allotment, and variable funds based on utilization that will include formula funding for the program administrator's and tuition rates paid by participating LEAs.



Program funding Example



- **One program per county for funding**
 - TEA encourages school systems in the same county to work collaboratively and cooperatively to establish programming and submit one application.
 - In the event more than one program administrator proposes a program and applies for funding for a county, TEA may outreach the program administrators to encourage collaboration.
 - When multiple programs are proposed for one county, the application with the highest average composite score will receive the allotment.
- **TEA can only add programs from 20 new counties per year**
 - Unless granted a waiver, approved programs must serve all eligible students within the county where the program operates, consistent with the approved program scope and available capacity.
 - Must operate in compliance with all applicable state and federal requirements, including 19 TAC §89.1094 and TEC §48.304.
 - Must meet the minimum standards established by TEA under TEC §29.008.

Timeline for 2026-2027 SY

2026				
May	June	July	Aug.	Sept.
RULEMAKING				
<p>TEA hosts webinar</p> <p>TEA releases a TAA on funding and Minimum Standards</p> <p>Application opens by 5/15/26</p> <p>TEA hosts Q&A sessions and technical assistance for eligible applicants</p> <p>Proposed rule amendments posted</p>	<p>TEA provides technical assistance and support to school systems applying for funding</p> <p>June 30 Application closes</p>	<p>July 15 TEA issues preliminary award notifications</p>	<p style="text-align: center;">Rule Effective</p> <p style="text-align: center;">TEA provides formal award notifications within 2 weeks of rule effective date</p>	

Timeline for 2027-2028 SY

2026		2027			
Nov	Dec	Jan	March	Aug	Sept
<p>TEA hosts webinar on funding allotment</p> <p>TEA releases a TAA on funding allotment</p> <p>Application opens by 11/15/26</p>	<p>TEA hosts Q&A sessions and provides technical assistance for eligible applicants</p>	<p>Applications close 1/29/2027</p>	<p>By 3/1/2027 TEA notifies programs of funding for the 2027-2028 SY (up to 20)</p>	<p>School year starts and programs begin operating</p>	<p>9/1/2027 Programs funded during the 2026-2027 SY will report enrollment data to identify subsequent year funding allotments</p>

- **Program Applications will detail:**

- Cooperative partners who have developed and are proposing the program in addition to the program administrator
- Physical locations of the program
- **Program Scope to include:**
 - maximum student capacity for the program
 - student population demographics and disability categories the program will support
 - instructional models or approaches the program will establish to serve students beyond what is available on a regular campus

- **Applications will be scored by at least two reviewers**
 - Will be scored by at least two reviewers
 - Scored on a 100-point rubric
 - Application scores will be combined into an average composite
- **Selection:**
 - Applications with an average composite score over 65 are eligible for funding
 - Applications will be rank ordered by composite score
- The legislature structured funding to allow for one program funded per county, but TEA may only add up to 20 counties each year.

Key Takeaways of TEC 48.304

What it does:

Provides funding to establish and expand day placement program availability at the county level.

Who may apply:

School districts, open-enrollment charter schools, or ESCs. Existing programs may apply but will need to focus their application on how they will expand to serve the county.

Where programs will operate:

TEA may designate no more than one qualifying day placement program per county and may add up to 20 new programs per year (9/1-8/31).

Who is served:

Any student from a school system within the county for which an approved program operates is eligible to attend the program as long as there is capacity and the student meets the designated parameters defined in the program scope.

Dedicated Funding:

\$250,000 for the first year of operation; in subsequent years, \$100,000 base funding plus an additional \$150,000 with 3+ enrolled students by 10/1 of the next school year.

Braided Funding:

New intensity of services special education formula funding, directly or via tuition for students in other LEAs, and high-cost funds are used to support costs in addition

Day Placement Program Rules Also Being Revised

Changes made to TEC 29.008 puts more responsibility on TEA to create a list of approved day and residential placement programs, including developing minimum standards for the operation of each.

[Proposed Rules for Day and Residential Placement Programs](#) (public comment May 15-June 15)

[Minimum Standards and Eligibility Conditions](#)

Thank you



DayProgramFunding@tea.texas.gov



[Special Education Day and Residential Programs](#)