



Federal Program Updates

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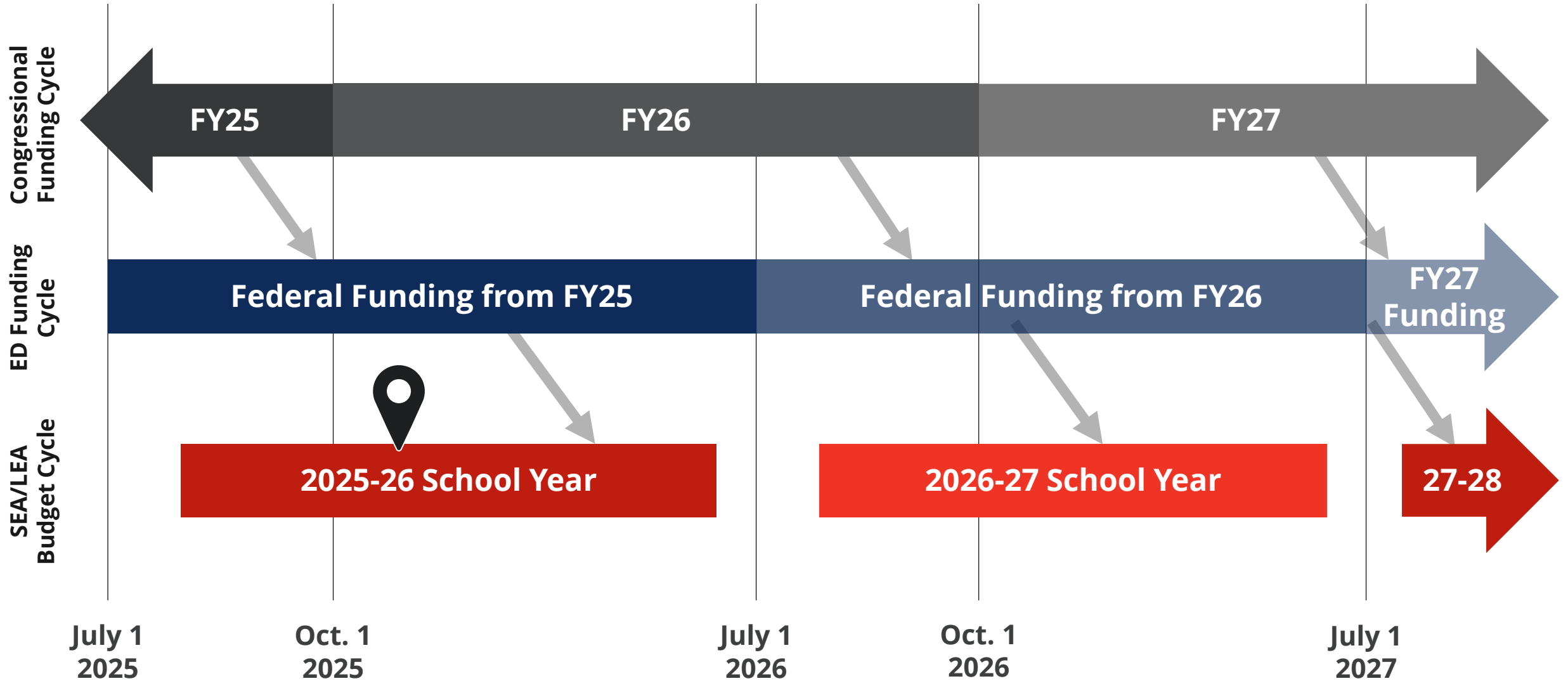
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Updates from Washington D.C.

The Appropriations Cycle & Forward Funding



Federal Fiscal Year 2026 State Fiscal Year 2027 Funding 2026-27 School Year

- Funding highlights from the law signed by President Trump include:
 - Title I, Part A: \$20 million increase, to total \$18.427 billion
 - IDEA, Part B: \$20 million increase, to total \$14.234 billion
 - Other K-12 programs are level-funded at FY 2025 levels, including Perkins State Grants.

Tennessee's Allocation Outlook for FY27

Grant	FY26 Allocation	FY27 Prelim	Change?
Title I, Part A	\$ 377,981,004.00	\$ 383,874,938.00	▲ \$5,893,934.00
Title I, Part C	\$ 1,531,966.00	\$ 1,393,038.00	▼ (\$138,928.00)
Title I, Part D Subpart 1 (State Agencies)	\$ 332,103.00	\$ 376,867.00	▲ \$44,764.00
Title II, Part A	\$ 50,750,345.00	\$ 51,145,463.00	▲ \$395,118.00
Title III, Part A	\$ 11,755,863.00	\$ 12,111,503.00	▲ \$355,640.00
Title IV, Part A	\$ 24,639,472.00	\$ 28,103,955.00	▲ \$3,464,483.00
Title V, Part B	\$ 4,456,091.00	\$ 3,215,305.00	▼ (\$1,240,786.00)
IDEA Part B	\$ 289,114,308.00	\$ -	
IDEA Preschool	\$ 7,629,788.00	\$ -	

Federal Fiscal Year 2027

State Fiscal Year 2028

2027-28 School Year

- The President's FFY 2027 budget request again proposes the consolidation of 17 K-12 U.S. Department of Education grant programs into a single consolidated grant, newly designated as the Make Education Great Again (MEGA) grant.
 - The budget request also proposes the elimination of 12 ESEA grant programs, including: ESEA Title III, Part A (English Language Acquisition)
 - The President's proposed budget includes level funding for Title I, Part A and proposes that Title IV, Part A be consolidated into the MEGA grant.
 - The budget additionally proposes consolidating seven IDEA programs into a single grant, with an overall increase of 3.5 percent.

Purpose and Key Focus Areas

The MEGA grant is designed to:

- Support academic improvement initiatives aligned to state priorities
- Strengthen local capacity for planning, implementation, and monitoring
- Promote equitable access to high-quality educational opportunities
- Encourage data-driven decision-making and continuous improvement
- Ensure effective stewardship and compliance with applicable requirements

Interagency Agreements

- On November 18, 2025, the U.S. Department of Education (ED) announced that it was transferring additional programs out of the agency. Postsecondary institutional programs will move to the U.S. Department of Labor (DOL).
- In January- April 2026, ED hosted feedback sessions with state educational leadership members and other stakeholder groups to hear concerns and questions.
- TDOE is awaiting further updates and guidance from ED on next steps.

Interagency Agreement: New Funding Portals

- Keep new requirements in mind when submitting payment requests.
- Payment requests may be required to include:
 - Program name
 - Detailed list of budget items, including dollar amounts for each item
 - Date range for costs incurred

Reallocation of FY25 ESEA Funds

FY25 Reallocation of ESSA Funds

- TDOE is calculating additional funds for FY25 funds for numerous Elementary and Secondary Education Act (ESEA), including:
 - Title I, Part D
 - Title II, Part A
 - Title III, Part A
 - Title IV, Part A
- These are additional funds that were originally allocated on July 1, 2024, for the 2024-25 school year, which must be obligated by **Sept. 30, 2026**.

FY25 Reallocation of ESSA Funds

- The Acknowledgement of Reallocation data and information instrument will be open in ePlan
 - (ePlan > data and information > 2026 > Acknowledgement of Reallocation).
- LEAs must respond by completing the instrument in ePlan to accept the proposed reallocated funding.



Title IV, Part A Flexibility

Waivable Provisions for Consideration

Title IV, Part A

Citation	Description of Provision	What flexibility means
ESEA Sec. 4106(e)(2)(C)-(E)	Requires LEAs receiving \$30,000 or more to spend at least 20% of funds on well-rounded activities, 20% on safe and healthy student activities, and some portion on technology.	Allows LEAs to spend Title IV-A funds more flexibly without regard to required spending categories.
ESEA Sec. 4109(b)	Prohibits LEAs from using more than 15% of their Title IV, Part A allocation for purchasing technology infrastructure.	Allows LEAs to spend more than 15% of Title IV-A funds on technology infrastructure.

LEA Approval Process

- Step 1 – LEA Planning:
 - LEA determines that compliance with one or both of the requirements limits its ability to address identified needs
- Step 2 – LEA Application:
 - Within the Title IV-A section of the CFA, will LEA complete a dedicated Ed-Flex waiver request page.

LEA Approval Process

- Step 3 - Department Review of Requests:
 - FPO will issue 1st and 2nd level of review via the CFA. A summary of the request will be submitted to the Commissioner of Education for final determination, as described in Tennessee's Ed-Flex plan.
- Step 4 – LEA Monitoring and Reporting:
 - LEAs operating under an approved Ed-Flex waiver should be monitored through existing federal monitoring processes.

LEA Approval Process

- Step 5 – SEA Reporting:
 - Tennessee will then include aggregate information on these waivers in its annual Ed-Flex report to ED, rather than notifying ED of each individual approval.

FY27 Consolidated Funding Application (CFA)

FY26 CFA Allocations for 2026-27 Planning

Grant(s)	Allocation Notes
Title I Part A	FY26 final allocation amounts
Title I, Part A-Neglected	
Title I, Part D	
Title II, Part A	
Title III, Part A	
Title IV, Part A	
IDEA, Part B	
IDEA Preschool	

The allocations loaded in the FY27 CFA include the required allocation adjustments for Title I, Part A, and Title I, Part A—Neglected as ED requires in the signed Memorandum of Agreement (MOA).



FY27 CFA Allocations for 2026-27 Planning

Grant(s)	Allocation Notes
Title III, Part A	<ul style="list-style-type: none">• FY26 allocations have been loaded. Additional information regarding consortia groupings will be shared as soon as it becomes available.• LEAs interested in serving as a consortia fiscal lead should contact Hannah.Gribble@tn.gov.



FY27 CFA Allocations for 2026-27 Planning

Grant(s)	Allocation Notes
Title I, Part C	<ul style="list-style-type: none">• FY27 planning allocations have been loaded for LEAs that indicated an intent to accept funds on the recent Title I, Part C Intent to Apply survey.• If the LEA plans to release Title I, Part C funds, please check the N/A release box at the top of the Title I, Part C <i>Program Details</i> page
Title V, Part B	<ul style="list-style-type: none">• FY27 planning allocations have been loaded based on information from the U.S. Department of Education. LEAs that are no longer eligible for Title V were notified by the Tennessee Department of Education in March.• LEAs no longer eligible in FY27 will have access to FY26 carryover funds once the FY26 Final Expenditure Report (FER) has been submitted and approved.



Planning Reminders

Since these amounts are for planning purposes and do not reflect FY27 data, FPO encourages LEAs to plan with these reminders:

- Federal funds are supplemental to state and local funds.
 - As always, LEAs must spend funds on the students generating the funds.
- Divide preliminary allocations into 12 months and plan to spend as close to 1/12th of funds each month as possible.
- For returning positions, consider how positions are funded with federal funds, their benefit, necessity, and prioritization.
 - Before hiring new positions, consider other funding sources if allocations decrease from planning amounts.
- As new contracts or multi-year contracts with vendors are considered, ensure multiple funding sources, including state and local funds, to remit payment.

CFA Timeline

- March 1: FY27 CFA opened
- May 15: FY27 CFA due in ePlan (**extended**)
- July 1: All CFAs must be approved by the department

Resources & Supports

- [FY27 CFA ESEA Training Presentation](#)
 - [FY27 CFA IDEA Training Presentation](#)
 - [What's New: FY27 CFA](#)
 - [Technical Application Guide: FY27 CFA](#)
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CFA Board Approval

CFA Board Approval New Process

- Shift from uploading templates in LEA Document Library to embedding the process directly within Data & Information
- Completed only by the Director of Schools, shift from both Director of Schools and Board Official signature.





IDEA High Cost & State Special School Transportation (SSST)

Overview

- IDEA High Cost
 - IDEA high-cost funds are intended to provide additional resources to schools to ease the strain on the budgets for the provision of multiple or complex services necessary to support the provision of a free appropriate public education (FAPE) for students with disabilities.
 - Definition:
 - A high-need child with a disability receives special education and related services identified in an individualized education program (IEP) that exceed the typical needs of a child with a disability, thus creating a financial impact on the local educational agency (LEA). Only costs identified in the child's IEP are considered in determining whether a child is a high-need child.
 - The definition is aligned to the federal definition that ensures that the **cost of the high-need child with a disability is greater than 3 times the average per pupil expenditure in Tennessee** and takes into account the number and percentage of high-need children with disabilities served by an LEA as specified in [§ 300.704 \(c\)\(3\)](#) state-level activities.



Allowable Expenditures for Determining a High-Cost Student

- One-on-one assistance
- Specialized equipment specific to the student and required to provide FAPE
- Special transportation exceeding the requirements of special education buses/vans
- Cost of contractual services for an eligible student
- Extended School Year (ESY); Considerations for determining a student's need for ESY include, but are not limited to:
 - Regression of skills during school breaks and the time needed to recoup skills
 - Regression of behavior to a level that could require a change of least restrictive environment (LRE)
 - Insufficient data to determine if the student does regress, or if regression requires significant time to recoup
 - A break from routine results in harmful behavior to self or others
 - Student's physical health requires continuous intervention and service



Non-Allowable Expenditures for Determining a High-Cost Student

- Pro-rated salaries for teachers or teaching assistants already providing special education services
- Pro-rated salaries of related services personnel already providing services
- Pro-rated salaries of special education bus drivers and attendants already providing services
- Pro-rated time of director, supervisor, principal, school psychologist, and/or counselor for administrative duties, meetings, etc.
- Specialized equipment/materials already provided by the LEA
- Legal fees
- Depreciation of equipment
- Summer Learning Camp



Overview

- State Special School Transportation (SSST)
 - LEAs are responsible for the transportation of students attending state special schools (i.e., West Tennessee School for the Deaf, the Tennessee School for the Blind, and the Tennessee School for the Deaf)
 - However, they may be eligible for a percentage of reimbursement determined based on the available money in the state set-aside discretionary pool for the respective school year and the total amount approved by all LEAs for this request.
- State Special Schools Transportation Reimbursement Request amounts vary annually based on funding availability, LEA flow-through, discretionary carry-over, and other funding sources made available to LEAs.



Allowable Expenditures for Determining Reimbursement for SSST

- Special transportation to/from a Tennessee State Special School for special education services provided during the year and/or IEP team-determined ESY services.
 - ESY services and ESY transportation must be an IEP team decision and must be included in the IEP.



Non-Allowable Expenditures for Determining Reimbursement for SSST

- Expenditures for expenses other than those related to transportation costs for special education services provided during the year and/or the IEP team-determined ESY services.
 - Summer Learning Camp is not considered ESY.



Overview

- If an individual student reimbursement request meets the federal definition of IDEA High Cost, the LEA should utilize that reimbursement application.
 - If requesting reimbursement, the LEA **must choose** either the IDEA State Special School Transportation Reimbursement Request *or* IDEA, Part B High-Cost Reimbursement Request for the special needs student, with assurances that only one application is being utilized for the 2025-26 school year.



IDEA High-Cost and SSST Reimbursement Updates

- Data is still being finalized to be included in the FY26 instruments in ePlan
- Both High-Cost and State Special Schools Transportation Reimbursement instruments will now open on **July 1, 2026**
- The deadline for submissions for both instruments is **Aug. 17, 2026**
- To support LEAs in completing successful submissions, the FPO team will offer a webinar at two different times to accommodate schedules.
 - [June 10 at 9 a.m. CT | 10 a.m. ET](#)
 - [June 16 at 1:00 p.m CT | 2 p.m. ET](#)
- The team will offer weekly office hours on Wednesday from **July 1** through **Sept. 16**.
 - [Office Hours- Wednesdays 12 - 1 p.m. CT | 1 -2 p.m. ET](#)
- Resources from the **Feb. 18** webinar may be found in ePlan TDOE Resources
 - [FY26 IDEA High-Cost & SSST Reimbursements Webinar](#)
 - [IDEA High-Cost & State Special School Transportation Webinar Recording](#)
- Please contact Jerri Beth Nave (Jerri.Nave@tn.gov) or Julia Hudson (Julia.Hudson@tn.gov) with questions





Other ESEA Updates

Tennessee is Seeking Flexibility for the SEA & LEAs

**Under Review by ED
ESSA Waiver**
Denied: February 2026

**Under Review by ED
ESSA State Plan**
Approved: April 2026

**Educational Flexibility (ED)
Waiver**
Submission Date:
May 2026

- Recognize two exams as high school math assessments for accountability
- Transition from *Ready Graduate* to College Career Ready Indicator using current year data
- Revamp of the School Improvement Framework
- Programmatic revisions to ensure alignment of program implementation
- Reduce administrative requirements to provide more flexibility to LEAs for allowable spending





Save the Dates

2026 Federal Programs Institute

- Tentatively Scheduled for August 25-27, 2026
- Returning to East Tennessee





Closing & Questions



Thank You!

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