



TEA State Funding Update

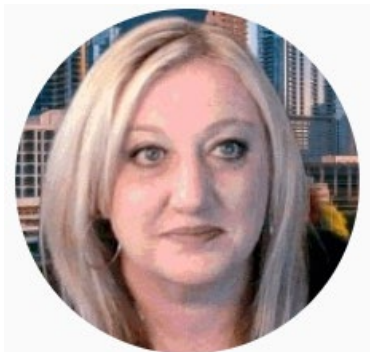
**Region One ESC
School Finance & Operations Conference
July 2026**

TEA State Funding Team Leadership



Amy Copeland

Associate
Commissioner for
School Finance /
Chief School Finance
Officer
amy.copeland@tea.texas.gov
(512) 463-8732



Sara Kohn

Executive Director of
State Funding,
Forecasting & Fiscal
Analysis
sara.kohn@tea.texas.gov
(512) 463-9186



Amy Ma

Managing Director
of State Funding
amy.ma@tea.texas.gov
(512) 463-6220



Dina Black

Foundation School
Program Operations
Manager
dina.black@tea.texas.gov
(512)-463-9531

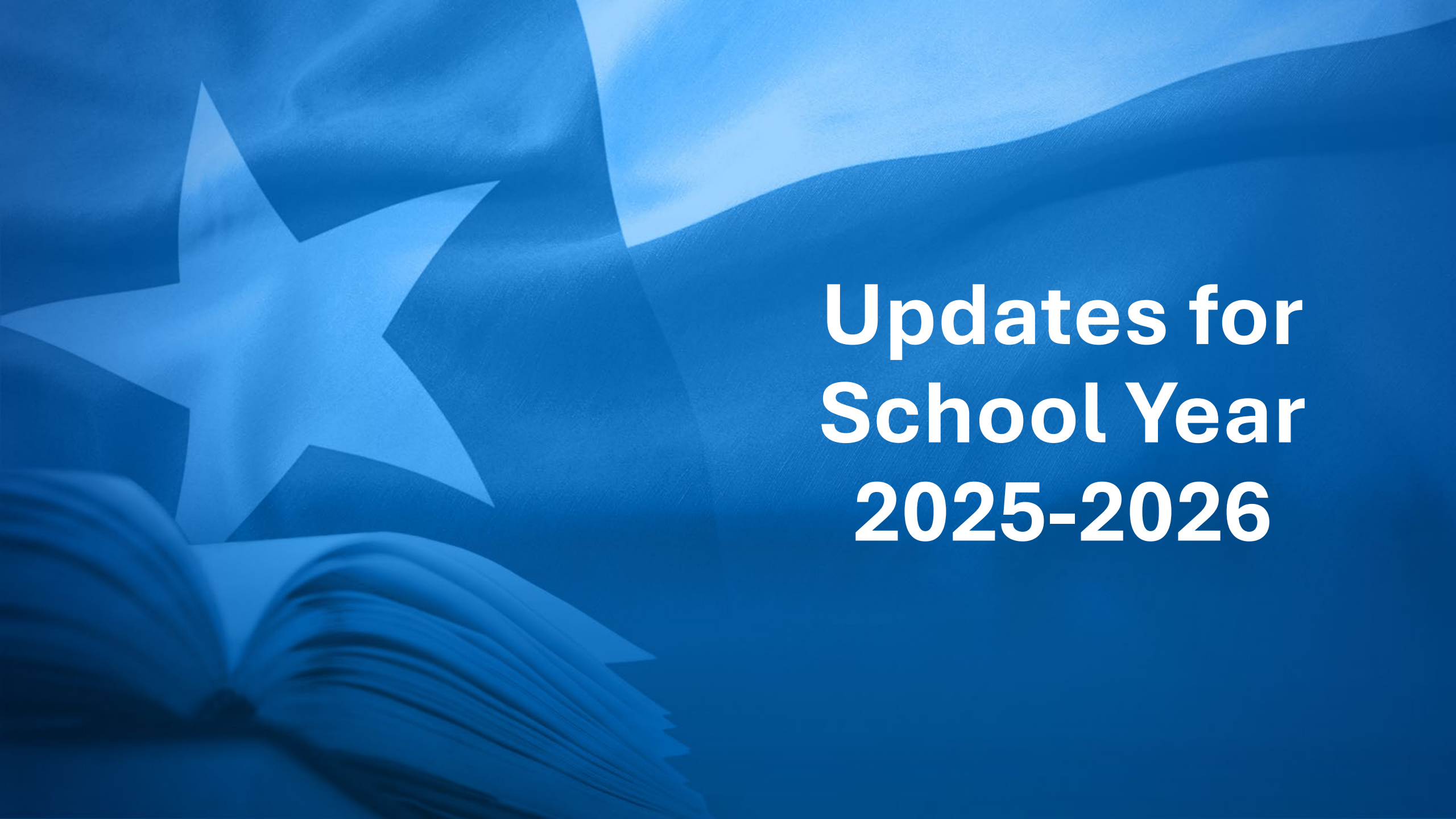


**Kristi
McCorquodale**

Foundation School
Program Facilities
Manager
kristi.mccorquodale@tea.texas.gov
(512)-463-9294

- Updates for School Year 2025-2026 (FY2025-2026 Current Year)
 - SOF Report Timeline
 - PEIMS six-weeks attendance
 - Tax Information Survey
- Teacher Retention Allotment (TRA)
- Planning for School Year 2026-2027 (FY2026-2027 Upcoming Year)
 - SOF Report Timeline
 - PEIMS six-weeks attendance
 - Preliminary SOF Reports
 - New PREP Allotment & Changes to Special Education
 - Local Property Value Survey (LPVS) & Tax Rates
- Attendance Projections 2027-2028 & 2028-2029 School Years
- State Funding Web Page Key Resources

- This presentation is intended to provide LEAs with a general overview of changes to Foundation School Program (FSP) funding based on enrolled school finance legislation from the 89th Texas Legislature.
- This document is not intended to provide legal advice. Nor is it intended to supersede the provisions of the Texas Education Code and the Texas Administrative Code that define and regulate the FSP.

The background is a solid blue color. On the left side, there is a large, stylized white star. Below the star, there is a faint image of an open book. The text is positioned on the right side of the image.

Updates for School Year 2025-2026

SY 2025-2026 SOF Report Publication Timeline

Preliminary	June/July 2025	Initial SOF Report (current law, attendance projections, estimates of tax year 2024 DPV and tax collections * the Comptroller's growth percentage)
	July 18 - August 1, 2025	Local Property Value Survey, Maximum Compressed Tax Rates (MCRs)
	August 15, 2025	New Instructional Facility Allotment (NIFA) (applications due)
	September 2025	First monthly FSP Payment (SOF incorporates some legislative changes from 89 th)
	November 2025	Facilities Funding (Bond) Payments: (IFA and/or EDA)
	January 2026	NIFA (approved applications)
	February 2026	TY2025 <i>preliminary</i> certified property values, self-reported tax rates, MCRs, PEIMS budgeted tax collections (LPE and DPE)
	March 2026	Actual State Compensatory Education Census Block Counts, teacher counts, and PEIMS enrollment based on Fall PEIMS data (LPE and DPE) PEIMS six-weeks attendance (1 st through 3 rd six-weeks) (DPE only)
	May 2026	PEIMS six-weeks attendance (4th six-weeks) (LPE & DPE)
	June 2026	PEIMS six-weeks attendance (5th six-weeks) (LPE & DPE)

SY 2025-2026 SOF Report Publication Timeline (continued)

Near Final	September 2026	TSDS PEIMS summer attendance data (1 st -6 th weeks), TY2025 <i>final</i> certified property values, approved FSP Transportation Route Services Reports, estimated tax collections from Tax Information Survey, Teacher Incentive Allotment, CCMR Outcomes Bonus, etc.
	October 2026	ADSY ADA (PEIMS submission #4/EXYR)
Final	April 2027	EYS for Special Education, OFSDP credit recovery, Actual tax collections from J-1 schedule of AFR, NIFA from Days of Instruction Survey

Six-Week Attendance: PEIMS Attendance

- To The Administrator Addressed Correspondence
 - Subject: [House Bill 2 \(HB 2\) Implementation: Six-week Attendance Reporting](#)
 - Date: September 18, 2025

House Bill 2 Implementation: Six-week Attendance Reporting

 taa-2025-09-18-hb-2-implementation-xix-week-attendance-reporting.pdf

232.57 KB

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.

PEIMS Attendance

- HB 2 (2025) requires TEA to adjust a district's enrollment and average daily attendance throughout the school year, based on attendance reports for each six-week interval.
- TEA will collect ADA, FTE, and enrollment data from PEIMS for all LEAs.
- **Periodic SOF report incorporation of six-week attendance data will impact LEA cashflow!**
- This change in attendance reporting aims to reduce the variance in FSP entitlements and LEA cashflow between the beginning of the fiscal year estimates (LPE) and the end of the year near-final settle up (DPE).

PEIMS Attendance

- The March Foundation Monthly (FY2026 SOF Run ID 46495) **was the first run to incorporate PEIMS Attendance data into the FY2026 Summary of Finances.**
 - **Incorporated 1st – 3rd projected attendance into DPE ONLY.**
- **After May 2026, PEIMS six-week attendance is incorporated into both LPE and DPE.**

Six-Week Attendance: PEIMS Attendance

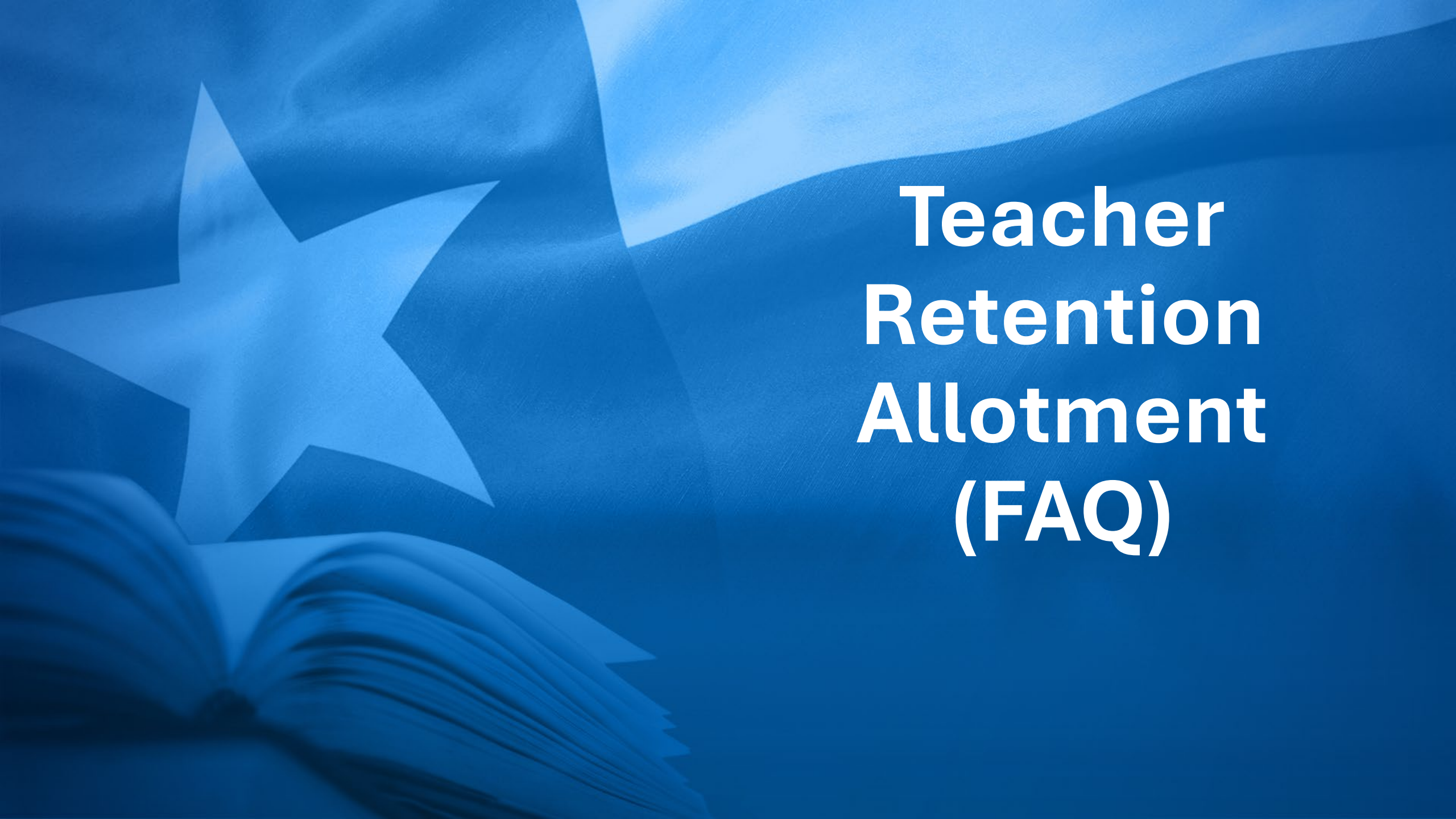
FY2025-2026 PEIMS Six-Weeks Attendance Reporting Timeline

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
03/20/2026 (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
05/08/2026 (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 by 9/10/2026 as part of near-final settle up

* This information is subject to change and will be communicated to LEAs prior to adjustments being made.

Tax Information Survey (TIS)

- The Tax Information Survey (TIS) for the 2025–2026 school year is now open in the Texas Education Agency Login (TEAL) for data submission through the Foundation School Program (FSP) Application system.
- Due by **August 31, 2026**, at 11:59 p.m.
- Completing the survey is critical to ensure the agency uses the most accurate tax collection data when calculating the 2025–2026 near final Summary of Finances (SOF) estimates in September 2026.
- After this survey, districts will not be able to revise 2025–2026 tax collection data until submitting the J-1 schedule with the annual financial report. J-1 tax collection data will not be reflected in the 2025–2026 SOF reports until April 2027.
- School Year 2025-2026 Tax Information Survey Open 6/1/2026 - 8/31/2026

The background is a solid blue color. On the left side, there is a large, stylized white star. In the bottom left corner, there is a faint, blue-tinted image of an open book. The text is positioned on the right side of the image.

Teacher Retention Allotment (FAQ)

Teacher Retention Allotment (TRA) Allotment

- <https://tea.texas.gov/about-tea/89thlege-hb2-faq-teacher-compensation.pdf>
- PDM1-111-002 TSDS PEIMS Staff Roster
 1. Role/Aux Role ID: 087 Teacher - A certified (holds a valid teacher certificate or permit) or non-certified professional employee who teaches in an academic instructional setting or a career and technology instructional setting.
 2. Years TRA
 3. LEA TRA Elig
- PEIMS Student Enrollment

Texas Education Agency

PDM1-111-002

v26.1.2

*** CONFIDENTIAL ***

LEA: 227901 - AUSTIN ISD

Category: Teacher

TSDS PEIMS STAFF ROSTER

LEA-level Data | Category: All Role Group

Campuses: 002..251

2025 - 2026 Fall Collection, Accepted Submission

Monday 04/20/2026 3:37 PM

Page 1 of 250

Staff Name	Unique ID	Staff ID	Sex	Ethnicity/ Race	Date of Birth	Staff Type	High Degree	Years Total	Experience LEA	# Days Employed	% Day Employed	Years TRA	LEA TRA Elig
------------	-----------	----------	-----	--------------------	---------------	------------	----------------	-------------	-------------------	--------------------	-------------------	-----------	-----------------

TRA Allotment (continued)

2025 - 2026 Statewide Teacher Retention Allotment Detail Report			
Last Update:	JUL 10, 2026		
Run ID:	47050		
Payment Cycle:	Preliminary		
Teacher Retention Allotment (TRA) Detail (for districts with 5,000 or fewer enrolled students)		LPE	DPE
1.	Statewide PEIMS Enrollment (<=5,000)	1,041,516	1,041,516
TRA for Teacher with 3-4 Years Experience			
2.	Number of classroom teachers with 3-4 years experience	8,301	8,301
3.	Allotment per teacher with 3-4 years experience	\$4,000	\$4,000
4.	Total allotment for teachers with 3-4 years experience (Line 2 * Line 3)	\$33,204,000	\$33,204,000
TRA for Teacher with 5+ Years Experience			
5.	Number of classroom teachers with 5+ years experience	55,936	55,936
6.	Allotment per teacher with 5+ years of experience	\$8,000	\$8,000
7.	Total allotment for teachers with 5+ years experience (Line 5 * Line 6)	\$447,488,000	\$447,488,000
Total TRA for Districts with 5,000 or fewer enrolled students			
8.	Statewide Teacher Retention Allotment (Line 4 + Line 7) for districts with 5,000 or fewer enrolled students	\$480,692,000	\$480,692,000
Teacher Retention Allotment (TRA) Detail (for districts with more than 5,000 enrolled students)		LPE	DPE
9.	Statewide PEIMS Enrollment (>5,000)	4,389,350	4,389,350
TRA for Teacher with 3-4 Years Experience			
10.	Number of classroom teachers with 3-4 years experience	32,135	32,135
11.	Allotment per teacher with 3-4 years experience	\$2,500	\$2,500
12.	Total allotment for teachers with 3-4 years experience (Line 10 * Line 11)	\$80,337,500	\$80,337,500
TRA for Teacher with 5+ Years Experience			
13.	Number of classroom teachers with 5+ years experience	201,399	201,399
14.	Allotment per teacher with 5+ years of experience	\$5,000	\$5,000
15.	Total allotment for teachers with 5+ years experience (Line 13 * Line 14)	\$1,006,995,000	\$1,006,995,000
Total TRA for Districts with more than 5,000 enrolled students			
16.	Statewide Teacher Retention Allotment (Line 12 + Line 15) for districts with more than 5,000 enrolled students	\$1,087,332,500	\$1,087,332,500
Total Statewide Teacher Retention Allotment		LPE	DPE
17.	Total Statewide Teacher Retention Allotment (Line 8 + Line 16)	\$1,568,024,500	\$1,568,024,500

The background is a solid blue color. On the left side, there is a large, stylized white star. Below the star, there is a faint image of an open book. The text is positioned on the right side of the image.

Planning for School Year 2026-2027

FY2026-2027 SOF Report Publication Timeline

Preliminary	June/July 2026	Initial SOF Report (current law, attendance projections, estimates of tax year 2025 DPV and tax collections * the Comptroller's growth percentage)
	July 18 - August 1, 2026	Local Property Value Survey, Maximum Compressed Tax Rates (MCRs)
	July 15, 2026	New Instructional Facility Allotment (NIFA) (applications due)
	September 2026	First monthly FSP Payment
	November 2026	Facilities Funding (Bond) Payments: (IFA and/or EDA)
	January 2027	NIFA (approved applications)
	February 2027	TY2026 <i>preliminary</i> certified property values, self-reported tax rates, MCRs, PEIMS budgeted tax collections (LPE and DPE)
	March 2027	Actual State Compensatory Education Census Block Counts, teacher counts, and PEIMS enrollment based on Fall PEIMS data (LPE and DPE)
Near Final	September 2027	TSDS PEIMS summer attendance data, TY2026 <i>final</i> certified property values, approved FSP Transportation Route Services Reports, estimated tax collections from Tax Information Survey, CCMR Outcomes Bonus, etc.
	October 2027	ADSY ADA (PEIMS submission #4/EXYR)
Final	April 2028	EYS for Special Education, OFSDP credit recovery, Actual tax collections from J-1 schedule of AFR, NIFA from Days of Instruction Survey

FY2026-2027 Six-Week Attendance: PEIMS Attendance Reporting Timeline

**School Year
2026-2027
FSP ADA
projections from
Initialization will
be updated in the
SOF in Nov 2026
with 1st six weeks
attendance**

School Year 2026-2027			
Due Date	Reporting Period(s)	PEIMS Notes	SOF Reports Notes
10/09/2026 (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 9/1/2027 as part of near-final settle up

* This information is subject to change and will be communicated to LEAs prior to adjustments being made.

Six-Week Attendance: PEIMS Attendance

- Implement a process that ensures administrative staff and data experts **collaboratively review** attendance data for accuracy and completeness before submitting to TEA.
- 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.
 - Get your PEIMS Coordinators, Superintendents, Program Directors, and CFOs/business managers involved.
 - Review current-year attendance data against enrollment figures and compare it to prior-year attendance to identify local trends and assess the reasonableness of the data.
 - Errors, validations, and reports **should** be reviewed regularly.
 - [House Bill 2 Implementation: Six-week Attendance Reporting | Texas Education Agency](#)

FY2026-2027 *Preliminary* SOF Reports

- Initial FY2026-2027 *Preliminary* SOF reports have been published.
- Some pending additional changes from the 89th Legislative Session will be incorporated prior to September when the first payment is made.
- The reports are still very preliminary & not all updates have been implemented. Use caution when reviewing early-stage reports.

TEA Texas Education Agency		sara.kohn1	School District State Aid Reports			
		District Profile	Programs	Admin	School District State Aid Reports	TEA Home TEA See
<i>This Page is designed to allow users to view/print school districts' Summary of Finances (SOF) or other state aid-related reports. The following caution is advised:</i> • Reports generated through this page are current as of the date that appears within the text of the report. • District administrators are advised to visit this website at least once each month to view their districts' Summary of Finances reports and Payment Ledgers. • District administrators are also advised to review the To the Administrator Addressed Correspondence for information about updates to the SOF reports and other state funding related news and sign up for the Public School Funding Updates email updates.						
Statewide Summary of Finances						
2026-2027						
Run ID	Date	Payment Cycle	Description	Status	Statewide Foundation Allotment	Statewide Recapture Amount
47061	7/14/2026 4:24 PM	Preliminary	IFA - Initialization, EC & DS Update	Pending	\$29,760,732,053	\$2,860,868,638
47060	7/14/2026 4:16 PM	Preliminary	EDA - Initialization, EC & DS Update	Published	\$29,760,732,053	\$2,860,868,638
47018	6/30/2026 2:55 PM	Preliminary	Initialization #3	Published	\$29,760,732,053	\$2,860,868,638
46996	6/30/2026 10:05 AM	Preliminary	Initialization #2	Published	\$29,753,043,844	\$2,860,868,638
46976	6/26/2026 2:04 PM	Preliminary	Initialization #1	Published	\$29,519,371,437	\$2,885,966,019

- **Initial FY2026-2027 *Preliminary* SOF reports** incorporated:
 - Basic Allotment of \$6,215. (No change from current year)
 - ADA and FTEs based on attendance projections as adopted in the GAA. (From attendance projections collected Oct-Dec 2024)
 - Golden penny yield of \$129.52 & copper penny yield of \$49.72. (No change from current year)
 - Preliminary per capita rate of \$684.155 for ASF funding amounts. (This rate may change minimally)
 - Small and Mid-Sized District Allotment funding weights remain at current year levels.
 - School Safety Allotment remains at \$21.10 per ADA and \$33,540 per eligible campus.

- **Initial FY2026-2027 *Preliminary* SOF reports** incorporated:
 - TY2025 MCRs, M&O tax rates, and tax collections adjusted based on compression and growth estimates prescribed in the GAA.
 - Preliminary Tax Year (TY) 2025 District Property Value (DPV) * 1.036.
 - Fast growth districts, list has been posted on [State Funding Reports and Data](#).
 - Teacher Retention Allotment (TRA) based on prior year teacher counts.
 - Payment classes will be calculated twice – with *preliminary* prior year DPVs and with *final* prior year DPVs, both adjusted by 1.036. The final payment class calculated will not change for remainder of the fiscal year.
 - Various allotments, either based on the prior year or updated with new estimates.

Updates Coming soon to FSP Reports:

- **NEW** Preparing and Retaining Educators through Partnership Program (PREP) Allotment (TEC 48.157)
- **NEW** Special Education Transition Funding (TEC 48.1022)
 - Expires at end of SY2027-2028
- **NEW** Special Education Funding (TEC 48.102)
 - Commissioner to define 8 tiers of intensity of service
- **NEW** Special Education Service Group Allotment (TEC 48.1021)
 - Commissioner to establish at least 4 service groups

Preparing and Retaining Educators through Partnerships Program (PREP) Allotment

- House Bill 2, passed by the 89th Texas Legislature and signed into law in June 2025, established the PREP Program Allotment to strengthen the quality of teacher recruitment, preparation, and mentorship across the state.
- Participation in the PREP Program Allotment is optional for eligible districts and open-enrollment charters.
- The PREP Program Allotment provides funding for five partnership types:
 1. PREP Mentorship
 2. PREP Grow Your Own
 3. PREP Preservice Residence
 4. PREP Preservice Traditional, and
 5. PREP Preservice Alternative Certification.

PREP Allotment (continued)

- Districts and open-enrollment charter schools applied for school year 2026-27 funding for the PREP Preservice Residency Program, Grow Your Own Program, and the Mentorship Program through the LASO Cycle 4 process.
- Applications for each of these programs plus the PREP Traditional and Alternative Preservice Programs will be available through LASO Cycle 5 in fall 2026.
- Funding is provided via foundation school program formulas and is available for every school system in the state.
- Each PREP Program type includes a specific funding formula structure in statute and provides funding for up to a specific number of supported teacher candidates or employees per year per school system.
- [Preparing and Retaining Educators through Partnerships Program \(PREP\) Allotment | Texas Education Agency](#)

Changes to Special Education

- To The Administrator Addressed Correspondence
 - Subject: [Special Education Funding Updates](#)
 - Date: April 16, 2026

Special Education Funding Updates

 [taa-2026-04-16-special-education-funding-updates.pdf](#)

404.35 KB

Date:	April 16, 2026
Subject:	Special Education Funding Updates
Category:	Special Education Programs, Data, and Finance
Next Steps:	Share with appropriate staff

This correspondence serves to provide an update to school systems regarding the state's special education allotment, required data collection and reporting for special education, and upcoming training opportunities on these topics ahead of the 2026-2027 school year (SY).

New Funding Framework

- 8 Tiers of Intensity
 - A student shall be reported for the highest tier for which they meet criteria according to services and supports documented in their individualized education program (IEP) and as determined by their admission, review and dismissal (ARD) committee
- 5 Service Groups

FY2026-2027 PEIMS Data Collection

- Instructional Arrangement/Setting Codes
 - **TEA will need to add \$250 million statewide increase** in 2026-2027 from the instructional arrangement /setting system to the new service intensity system
- Tiers of Intensity
- Service Group

- **For FY2026-2027 only** -- report special education participation via PEIMS using **both** the prior law instructional arrangement approach and the new law service intensity

Changes to Special Education

■ 8 tiers of Intensity

- Tier 1 = students who receive speech therapy only
- Tier 8 = students receiving special education services placed in residential program
- Draft definitions of Other Tiers = refer [Draft Rule](#) link in TAA letter

Table ID	Name	Date Issued	Date Updated
C371	TierOfIntensity	12/01/2025	07/15/2026
Descriptor	Short Description	Long Description	
01	Tier 1 - Stu Rec Speech Therapy Only or Minimal SPED Svc	Tier 1 – Student who receive speech therapy as their only instructional service or receive minimal special education services	
02	Tier 2 - Low Intensity Supports Across Domains	Tier 2 – Low intensity supports across domains; could be high intensity in one domain	
03	Tier 3 - Moderate, Targeted SPED Svc	Tier 3 – Moderate, targeted special education services	
04	Tier 4 - Sustained, Multi-Domain Support	Tier 4 – Sustained, multi-domain support	
05	Tier 5 - High Intensity, Complex Needs	Tier 5 – High intensity, complex needs	
06	Tier 6 - Very High Intensity, Complex Needs	Tier 6 – Very high intensity, complex needs	
07	Tier 7 – Public or Private Day Placement or Max Domain Intensity	Tier 7 – Public or private day placement or maximum domain intensity	
08	Tier 8 - Residential Placement	Tier 8 – Residential placement	

Changes to Special Education

- 5 service groups

- Beyond a base level of special education funding determined through the intensity tiers, some students require additional, measurable resources to implement their IEPs.
- Service groups will generate additional funding.
- Draft defined service groups = refer [Draft Rule](#) link in TAA letter

Table ID	Name	Date Issued	Date Updated
C373	SPEDServiceGroup	12/01/2025	07/15/2026
Descriptor	Short Description	Long Description	
01	SPED Svc Grp 1 – Rel Svc 180-270 Min; Rec Spec Trans; Stu Rec Pare Counsel	SPED service group one - Related services provided at least 180 mins and less than 270 mins per six-week period; student receives special transportation as a related service; and/or student receives parent counseling and training as a related service	
02	SPED Svc Grp 2 – Rel Svc 270-540 Mins	SPED service group two - Related services provided at least 270 mins and less than 540 mins per six-week period	
03	SPED Svc Grp 3 – Rel Svc At Least 540 Mins	SPED service group three - Related services provided at least 540 mins per six-week period	
04	SPED Svc Grp 4 – Mod 1:1 Support or Less Than 4 Hrs Other Setting	SPED service group four - One-to-one provider-to-student ratio needed between 50% and 80% of the student's instructional day or if the student receives less than 4 hours per week of special education and related services at home, at a hospital or other medical facility (including an outpatient facility), or at another facility not operated by the school system but district personnel providing services	
05	SPED Svc Grp 5 – Sig 1:1 Support or At Least 4 Hrs Other Setting	SPED service group five - One-to-one provider-to-student ratio needed over 80% of the student's instructional day or if the student receives 4 or more hours per week of special education and related services at home, at a hospital or other medical facility (including an outpatient facility), or at another facility not operated by the school system but district personnel providing services	

Tax Year 2026 Maximum Compressed Tax Rates (MCR) or Tier One M&O Tax Rates

- Districts will begin building their FY2026-2027 budgets based on a preliminary *proposed* tax rates.
- Tax rates are adopted **after** MCR is determined through LPVS in August or September 2026.
- Tier One tax compression does not impact the overall level of funding a district is entitled to. Rather, tax compression only impacts the balance of state and local share of a school district's total Tier One entitlement.
- Tax compression doesn't apply to charter schools, which do not levy taxes.

FY2026-2027 Local Property Value Survey (LPVS)

- The LPVS opened on July 18, 2026, and closes on **August 1, 2026 at 11:59pm.**
 - August 1, 2026 is a Saturday, please submit the form by COB Friday, July 31, 2026 if you need assistance.
- In order to calculate and make available a district's maximum compressed tax rate, or MCR, TEA is conducting a survey of local taxable property value growth.
- To calculate accurate growth rates, districts will be required to enter Tax Year (TY) 2025 and TY2026 locally certified values based on the \$140,000 state homestead exemption and the \$60,000 homestead exemption for elderly or disabled persons.
- The agency will use the locally estimated property growth rates to calculate estimates of comptroller-certified property values (i.e., "T2" property values) and then calculate and make available MCRs in August 2026.
- Recapture districts must wait until receiving both the agency's approval of the district intent and the agency's determination of the district's MCR before proceeding with tax rate adoption

- State compression occurs when estimated statewide property value growth (set by the GAA at **3.60%** for TY2026) exceeds 2.5% to determine the maximum MCR for TY2026 (FY2026-2027).
- In accordance with TEC, §48.2552(c), after accounting for additional state revenue determined under TEC, §48.2552(b), the maximum state compression rate will be reduced by **0.00 pennies** in TY2026.

TY2026 State Compression Percentage is

$$(0.6322 \times (1.025 \div 1.036) - 0.0000) = \text{\textcolor{red}{\$0.6254}}$$

- Local compression uses individual district property value growth compared to 2.5% to determine the MCR.
- Since districts receive the lesser of the MCR calculated under state compression or local compression, only districts whose local value growth exceeds 3.60% will have additional compression below \$0.6254.
- To maintain tax rate equity, no district may have an MCR less than 90% of any other district (limit on local compression).

TY2026 MCR Floor is $(\$0.6254 * 0.90) = \0.5628

SY2026-2027 Tax Rate & MCR Template

2026-2027 Tax Rate & MCR Template		
Local Property Value Survey Calculations		
#N/A	000000	<=Enter CDN
DISCLAIMER: Districts are still required to complete the LPVS to calculate their MCR. Districts should not		
TY 2025 Value Lost to the Local Optional Homestead Exemption	#N/A	
TY 2025 Comptroller Certified School District Taxable Value for M&O Purposes (T2)	#N/A	
TY 2025 Chief Appraiser's July 25th Certified Taxable Property Values from the Certified Appraisal Roll (based on \$140K HSE and \$60K HSE for elderly or disabled)	\$0	
TY 2026 Chief Appraiser's July 25th Certified Taxable Property Values from the Certified Appraisal Roll (based on \$140K HSE and \$60K HSE for elderly or disabled)	\$0	<=District Entry
Local Property Value Growth (calculated)	#DIV/0!	
TY 2026 Property Value No Longer Subject to a Limitation on Appraised Value under Chapter 313, Tax Code	#N/A	
TY 2026 Property Value No Longer Subject to a Limitation on Appraised Value under Chapter 311, Tax Code	#N/A	
Total Exemption expiry (E) (per TEC §48.2551 (a))	#N/A	
Growth Net of Expiring Chapter 313 or 311 Agreements (calculated)	#N/A	
TY 2026 Local Optional Homestead Exemption Value Loss, if applicable	\$0	<=District Entry
Local Optional Homestead Exemption Value Change (calculated)	#N/A	
Estimated TY 2026 Comptroller Certified School District Value for M&O purposes (T2)	#N/A	
Prior Year (TY 2025) Maximum Compressed Tax Rate (MCR)	#N/A	
Local Preliminary MCR = (1.025 ((TY 2025 DPV+E) * PYMCR)) / TY 2026 T2	#N/A	
TY 2026 State Compression Percentage (lesser of PY State MCR or 0.6322 * (1.025 / 1.036))	\$0.6254	
TY 2026 Limitation on Maximum Compressed Tax Rate (0.6322 * 0.9)	\$0.5628	
TY 2026 MCR (lesser of state or local compression, subject to limitation under Sec. 48.2552, Education Code)	#N/A	

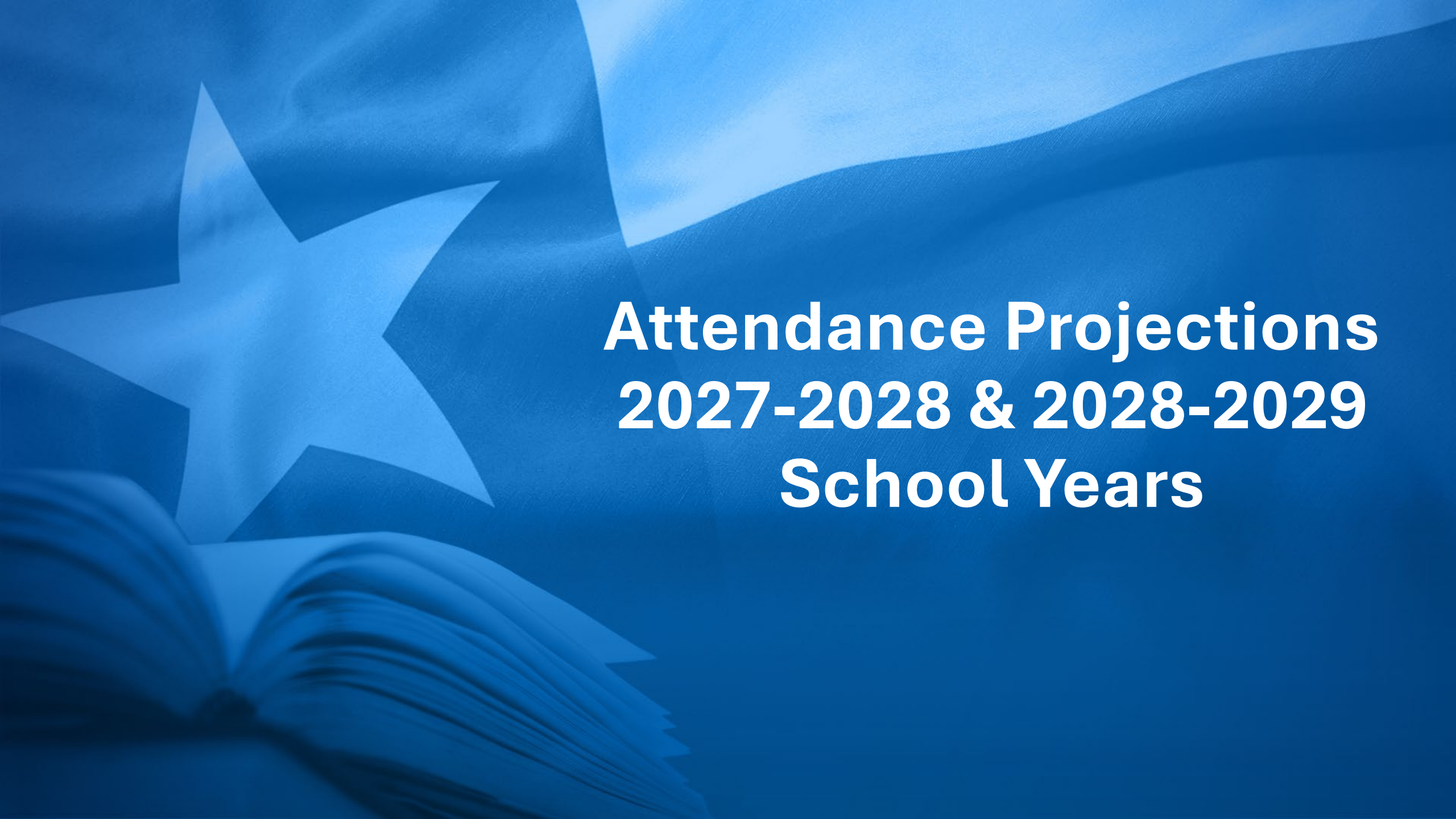
Instructions
LPVS Calc
VATR Calc
+

- Now available on the [State Funding webpage](#) under the *Districts & Charter Planning Tools* subheader
- Can help districts understand calculations behind the LPVS

Reminders about Tier Two and Voter Approval Tax Rate Elections

- The maximum rate districts can adopt without going to the voters for a Voter Approval Tax Rate Election is the district's maximum Tier One compressed rate, plus the greater of:
 - five golden pennies; or
 - the number of Tier Two voter-authorized enrichment pennies set in the prior year
- The basis for determining whether voter approval elections are required will begin with the district's TY 2026 MCR plus the number of enrichment pennies authorized and set in TY 2025, less any pennies adopted under disaster provisions.
- The maximum M&O tax rate for any district* in TY 2026 will be **\$0.7954** = (\$0.6254 + \$0.1700).

Tier	Pennies	Action Required to Access
Tier Two Copper Pennies	9 – 17	Voter Approval Required (or previously authorized in prior tax year)
Tier Two Golden Pennies	6 – 8	Voter Approval Required (or previously authorized in prior tax year)
Tier Two Golden Pennies	1 – 5	No Voter Approval Required
Tier One	0 - MCR	No Voter Approval Required

The background is a solid blue color. On the left side, there is a large, stylized white star. In the bottom left corner, there is a faint, blue-tinted image of an open book. The text is positioned on the right side of the image.

Attendance Projections 2027-2028 & 2028-2029 School Years

Attendance Projections

2027-2028 & 2028-2029 School Years

- **Coming this Fall** – The Attendance Projection Collection will open in October 2026 and close December 2026.
- The Legislature uses these projections to determine the cost of public education for the next biennium. The attendance projection collection data set is the basis for building the budget for public education.
- **FAQ:** Do I still need to submit attendance projections if we are submitting PEIMS six-week attendance? **YES!**
- **FAQ:** Do charter schools still need to submit? **YES!** No more Estimates in the FSP Module (unless a brand-new charter)

Attendance Projections 2027-2028 & 2028-2029 School Years (continued)



TAA announcement: mid-October 2026



Deadline: December 2026

**Where? FSP Application System,
Attendance Projections program**



Submit attendance estimates

**Student average daily attendance (ADA),
Enrollment, Full-time equivalent (FTE)**



Basis of initial payments

Attendance Projections 2027-2028 & 2028-2029 School Years

User Role: **Pupil Projections User**

FSP
Foundation School Program

District Profile Programs School District State Aid Reports

FSP Home **Attendance Projections**
Bond Programs
FSP Home Excess Local Revenue
Charter Schools
Local Property Value Survey
Welcome to NIFA
We hope that this ESC Insurance
Please visit the TE State Compensatory Education
Feel free to submit Supplemental Attendance
Tax Information Survey
Transportation

ol Program payment system.
information concerning the public education funding system
at the [Foundation School Program](#).
info@tea.texas.gov. If you have an urgent need for information

The background is a solid blue color. On the left side, there is a large, stylized white star. In the bottom left corner, there is a faint, blue-tinted image of an open book. The text is centered on the right side of the image.

State Funding Web Page Key Resources

School Finance Contact Information

- General Inquiries:
sfinance@tea.texas.gov
(512) 463-9238
- Bond Guarantees:
BGP@tea.texas.gov
- Property Value Audits:
DPVAudits@tea.texas.gov
- Tax Programs (rates and collections):
TaxPrograms@tea.texas.gov
- Attendance Projections:
ADAProjections@tea.texas.gov
- Recapture:
Recapture@tea.texas.gov
- Charter Schools:
CharterSchoolFinance@tea.texas.gov
- Transportation:
schtrans@tea.texas.gov
- Tuition Allotment:
TuitionPrograms@tea.texas.gov
- Instructional Facilities Allotment:
IFAAplications@tea.texas.gov
IFARefundingAmendments@tea.texas.gov
- New Instructional Facility Allotment:
NIFA@tea.texas.gov
- Staff Contact List on Website:
<https://tea.texas.gov/finance-and-grants/state-funding>

To The Administrator Addressed Correspondence

Date Authored	Title	Division(s)
June 18, 2026	Tax Year 2026 Maximum Compressed Tax Rates	400- School Finance
March 13, 2026	Update on Property Value Data and Frozen Levy Hold Harmless Methodology	400- School Finance
September 18, 2025	House Bill 2 Implementation: Six-week Attendance Reporting	400- School Finance
August 28, 2025	2025 Final Maximum Compressed Tax Rates (MCR) and Adoption of Tax Rate	400- School Finance
August 5, 2025	Preliminary Maximum Compressed Tax Rates (MCR) and Adoption of Tax Rate for Tax Year 2025	400- School Finance

<https://tea.texas.gov/taa-letters>

Public School Funding Updates

The school year 2025-2026 pre now incorporate:

- ADA and FTEs based on a General Appropriations Act
- For charter school estimates from the estimates from Ju
- DPV, Tax Rates, and Colle property values, maximu rates, and tax collections
- Certain DPV value to estimate the in
- Updated district payment
- Various allotments, either new estimates, including
 - Teacher Incentive
 - Mentor Program
 - College Preparati
 - Certification Exam
 - Transportation All
 - Tuition Allotment
 - Additional State A
- Districts eligible for the F
- Tier Two golden penny yi copper penny yield of \$4
- Preliminary per capita rat



Texas Education Agency Update



SY 2024-2025 Near Final & SY 2025-2026 Preliminary Summary of Finances Report Updates

Texas Education Agency sent this bulletin at 09/15/2025 10:00 AM CDT

[View as a webpage](#)



9/15/2025

Public School Funding Updates

You are receiving this information because you are subscribed to Public School Funding Updates for the Texas Education Agency (TEA).

Please do not reply to this message. This is a broadcast email sent to all Foundation School Program (FSP) State Funding bulletin members.

The school year (SY) 2024-2025 near-final (NF) Summary of Finances (SOF) reports now incorporate:

- Average Daily Attendance (ADA) and full-time equivalents (FTEs) from the PEIMS summer submission, including Pre-K ADA
- Final tax year (TY) 2024 certified district property values (DPV), pending petitions filed under Government Code Section 403.303, from the [Comptroller's School District Property Value Study](#)
- Tax collections from the Tax Information Survey module within the

ling:

ased by the Guaranteed Yield Increment
5

District Allotment increased funding

Allotment from \$50 to \$150

Education Allotment based on total ADA

g approach to full-day prekindergarten

the Early Education Allotment

o \$4,000 for students who receive special

otment

on Allotment

II Initial and Individual Evaluations at

ent, based on \$21.10 per ADA and 33,540

osts at \$106 per enrolled student

ies funding formula changes

or regional insurance provided for first-

or areas designated as catastrophe areas

Programs for the Deaf (RDSPD)

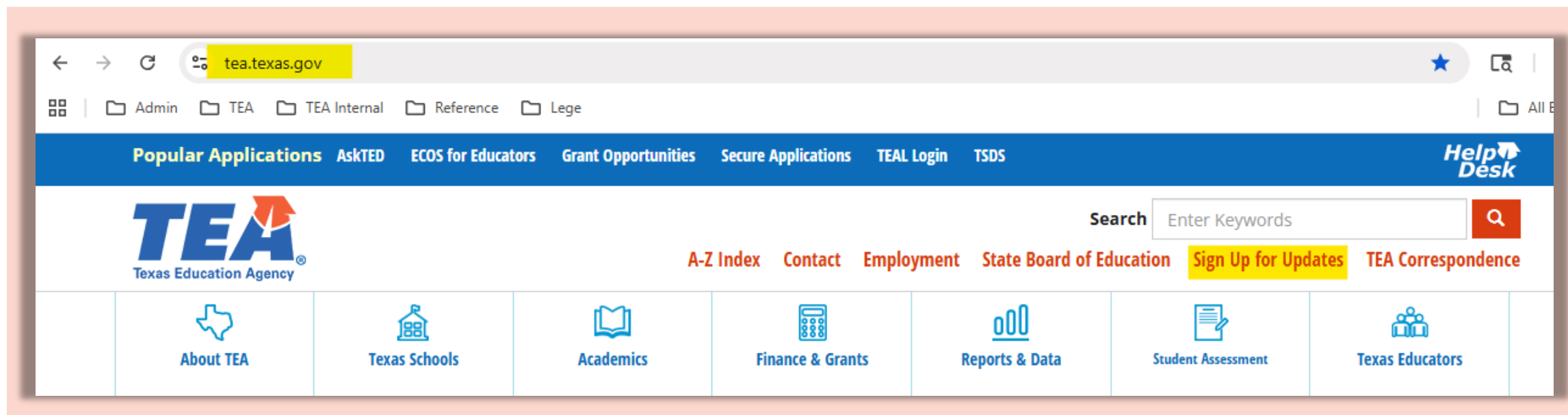
g on implementing the latest M&O and

stead Exemption (ASAHE), resulting from

SB 4 and SB 23. Districts can expect to see the ASAHE updates in SY 2025-2026 SOF reports later in 2025.

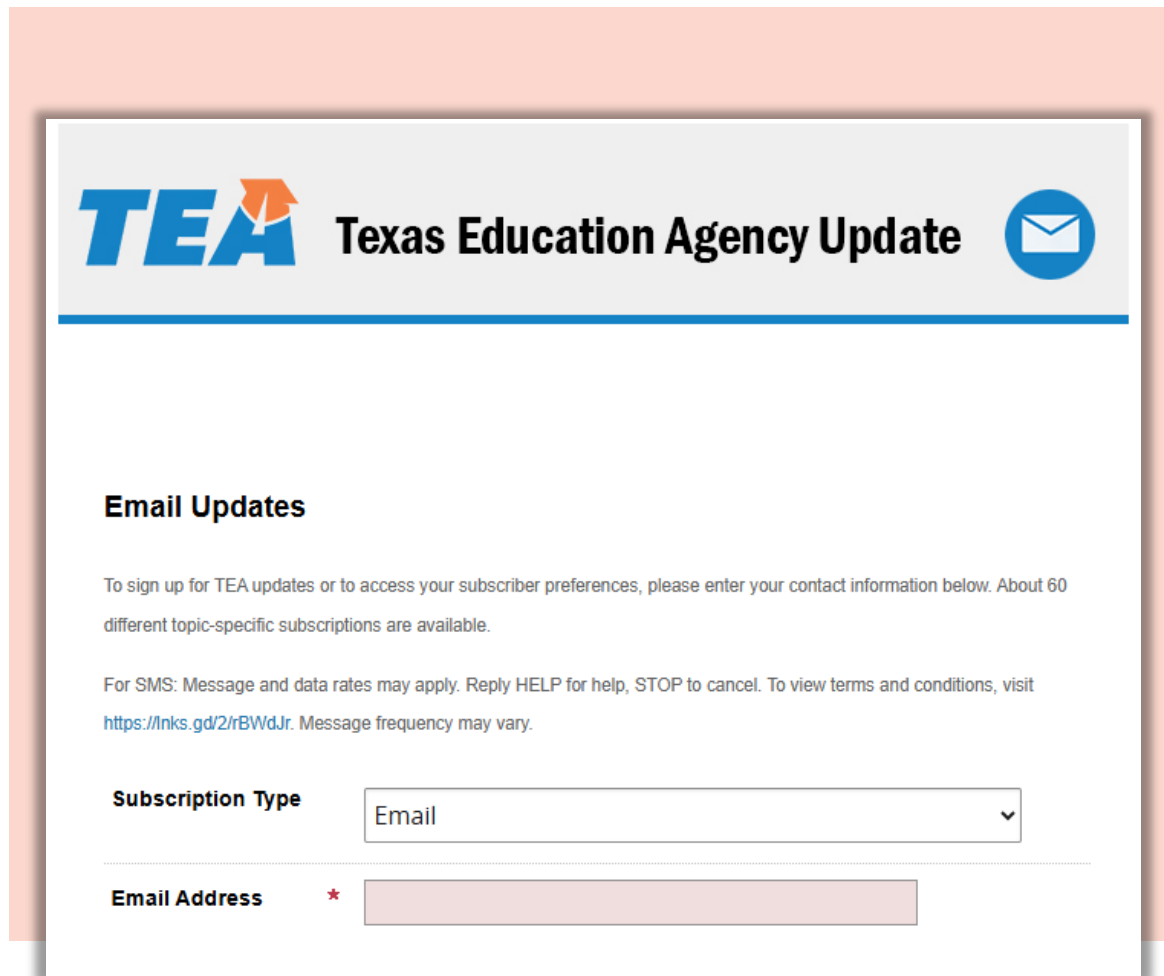
Sign up for TEA Correspondence (Step 1):

- <https://public.govdelivery.com/accounts/TXTEA/subscriber/new>



Sign up for TEA Correspondence (Step 2):

- Fill out the form.
- Under the 'Publications' section, choose any that pertain to your role.
- Select (at a minimum):
 - ☐ State Funding
 - ☒ Public School Funding Updates
 - ☐ News & Multimedia
 - ☒ To the Administrator Addressed



The screenshot shows the 'Email Updates' sign-up form for the Texas Education Agency. At the top, there is a header with the TEA logo and the text 'Texas Education Agency Update' next to an envelope icon. Below the header, the section is titled 'Email Updates'. A paragraph states: 'To sign up for TEA updates or to access your subscriber preferences, please enter your contact information below. About 60 different topic-specific subscriptions are available.' Another paragraph mentions: 'For SMS: Message and data rates may apply. Reply HELP for help, STOP to cancel. To view terms and conditions, visit <https://lnks.gd/2/rBWdJr>. Message frequency may vary.' The form includes a 'Subscription Type' dropdown menu currently set to 'Email'. Below this is an 'Email Address' field with a red asterisk indicating it is required.

District & Charter Planning Tools

- [State Funding Calendar](#)
- [State Funding Data Elements, Sources, and Timelines \(Feb 2026\)](#)
- [SY2026-2027 Fast Growth Allotment](#)
- [SY2026-2027 Tax Rate and MCR Template](#)
- [SY2025-2026 Support Staff Retention Allotment Legislative Estimates](#)
- [SY2025-2026 \(Tax Year 2025\) Final MCRs](#)
- [Tier One & Maximum Compressed Tax Rates for SB 12 \(87-2\)](#)
- [2021-2022 SOF Run ID 42316 Data](#)
- [2022-2023 SOF Run ID 42258 Data](#)
- [2023-2024 SOF Run ID 45525 Final Data](#)
- [2024-2025 SOF Run ID 46820 Final Data](#)
- [2025-2026 SOF Run ID 46778 Preliminary Data](#)
- [SOF Data Dictionary](#)
- [TPAR for SY2021-2022 Operational Minutes Adjustment](#)
- [Charter Estimate of State Aid Template 2025-2026](#)
- [Schedule of FSP Payments](#)
- [FSP Training System](#)

Now available on the
[State Funding webpage](#)
under the *Districts &
Charter Planning Tools*
subheader

State Funding Web Page Key Resources

■ State Funding Calendar

		Texas Education Agency - State Funding Calendar School Year (SY) 2025 - 2026 September 1, 2025 to August 31, 2026				
		<i>Please note: Except when noted as a deadline, State Funding dates for certain activities and updates are subject to change and may be considered estimates. Hover over the TEA logo for more information.</i>				
Month	Date	Foundation School Program (FSP)	Charter Schools	Excess Local Revenue	Facilities State Aid: Additional State Aid for Home Exemption (ASAHE) for Facilities, Existing Debt Allotment (EDA), Instructional Facilities Allotment (IFA)	Data Collections: Attendance Projections, Chapter Education Service Center (ESC) Ins Local Property Tax Survey (LPVS), Instructional Facility Allotment (NII), Increment Reinvestment Zone (TI), Information Survey (TIS), Transpo Tuition Allotment
Apr	15	Anticipated date to update Transportation estimates with actual allotments for SY 2024-2025 final settle up. Anticipated date to process SY 2024-2025 NIFA final settle up from Days of Instruction Survey.		purchased via FSP System prior to SY 2024-2025 settle up 30 days after final. For districts that selected the equal seven monthly payment option, the <u>third</u> payment is due from districts with excess local revenue to the state (Option 3) and/or to the partner district(s) for districts exercising (Option 4).	Anticipated date for facilities funding SOF runs to update program allocations for SY 2024-2025 and SY 2025-2026 and based on MAC imported data, property values, ADA, and other program dependent data elements.	
Apr	21					
Apr	25	FSP payments: Class 2 Final settle up payments for SY 2024-2025. Negative SY 2024-2025 final settle up balances are transferred to the current school year's payment ledger.	FSP payments: Classes 4, 5 Final settle up payments for SY 2024-2025. Negative SY 2024-2025 final settle up balances are transferred to the current school year's payment ledger.			
Apr	30					
May 2026						

District & Charter Planning Tools

- [State Funding Calendar](#)
- [State Funding Data Elements, Sources, and Timelines \(Feb 2026\)](#)

State Funding Web Page Key Resources

■ SY2025-2026 Data Elements, Sources, and Timelines

TEA Texas Education Agency				
Data Elements, Sources, and Timelines Foundation School Program (FSP) Summary of Finances (SOF) Reports				
Data Element	Legislative Payment Estimate (LPE)	District Planning Estimate (DPE)	Near Final	Final
Students				
Average Daily Attendance (ADA) *Pre-K ADA is limited to half-day for eligible students only. *A migrant adjustment is available for districts with a migrant population of 5% or more (using the best four of six six-week periods).	Biennial pupil projections submitted to TEA through Attendance Projection module in the FSP system in even number calendar years. The projections are used during the legislative appropriations process.	Matches LPE in the fall. In March, 1st through 3rd six-weeks attendance (ADA and FTEs) from TSDS PEIMS Attendance submission 5 will be incorporated in DPE only. In May and July, 4th and 5th six-weeks attendance from TSDS PEIMS Attendance submission 5 will be incorporated into both LPE and DPE, respectively. During the school year, Additional Days School Year (ADSY) refined incorporated based on prior	Updated with actual summer TSDS PEIMS attendance in September. Updated in October / November with actual ADSY from TSDS PEIMS Extended Year submission 4.	Same as near-final. Updated with Extended Year Services (EYS) for special education and Optional Flexible School Day Program (OFSDP) credit recovery from TSDS PEIMS Extended Year submission 4.
Special Education FTEs - TEC §48.102; Dyslexia Enrollment - TEC §48.103; Bilingual ADA - TEC	Biennial pupil projections submitted to TEA through	Matches LPE in 1st through 3rd attendance (ADA and FTEs) from TSDS PEIMS Attendance submission 5 will be incorporated into both LPE and DPE, respectively. During the school year, Additional Days School Year (ADSY) refined incorporated based on prior		

District & Charter Planning Tools

- [State Funding Calendar](#)
- [State Funding Data Elements, Sources, and Timelines \(Feb 2026\)](#)

State Funding Web Page Key Resources

■ Charter School Estimate of State Aid Tool

Charter School Estimate of State Aid Tool Foundation School Program (FSP) State Aid 2025-2026 School Year Version 4- December 2025					
 *House Bill 2 (HB 2) Impact Version 2 includes additional HB 2 legislative updates.					
000000	Charter School Name		Results from Estimates worksheet	Published Summary of Finance December 10, 2025 Run ID 46194	Budget (Local Data)
Main SOF	Data Elements/Allotments/FSP State Aid	Weight/ Rate		Legislative Payment Estimate	Duplicate of Column F, unless modified
	Students				
1	Refined Average Daily Attendance (ADA)		0.000	0.000	0.000
2	Regular Program ADA (Refined ADA - Spec Ed FTEs - CTE FTEs)		0.000	0.000	0.000
3	Special Education (Spec Ed) FTEs		0.000	0.000	0.000
4	Career & Technology Education (CTE) FTEs		0.000	0.000	0.000
5	Weighted ADA (WADA)		0.000	0.000	0.000
6	PEIMS Enrollment		0	0	0
	*Special Education Full Individual and Initial Evaluation (FIIE)				
	*FIIE student count	\$1,000	0	0	0
	Special Education Full-Time Equivalents (FTEs) Detail				
	1. Homebound	5.0	0.000	0.000	0.000
	2. Hospital Class	3.0	0.000	0.000	0.000
	3. Speech Therapy	5.0	0.000	0.000	0.000
	4. Resource Room	3.0	0.000	0.000	0.000
	5. Self Contained Severe/ Mild/ Moderate	3.0	0.000	0.000	0.000
	6. Off-Home Campus	2.7	0.000	0.000	0.000
	7. Vocational Adjustment Class (VAC)	2.3	0.000	0.000	0.000
	8. State Schools	2.8	0.000	0.000	0.000
	9. Residential Care and Treatment	4.0	0.000	0.000	0.000
	10. Total FTE		0.000	0.000	0.000
	11. Total Weighted Spec Ed FTE		0.000	0.000	0.000
	12. Non-Public Contracts	1.7	0.000	0.000	0.000
	13. Mainstream ADA	1.15	0.000	0.000	0.000
	Extended Year Services (EYS) Special Education FTEs				
	EYS Homebound	5.0	0.000	0.000	0.000
	EYS Hospital Class	3.0	0.000	0.000	0.000
	EYS Speech Therapy	5.0	0.000	0.000	0.000
	EYS Resource Room	3.0	0.000	0.000	0.000

- Available on the [TEA Charter School Finance webpage](#) under the *Estimate of State Aid Template* section.
- Version 4 posted December 2025.

The background is a solid blue color. On the left side, there is a large, white, five-pointed star. Below the star, in the bottom left corner, is an open book with its pages visible. The text "Open Q & A?" and "Thank You!" is written in white on the right side of the image.

Open Q & A?
Thank You!