

Funding

SHARED SERVICES ARRANGEMENTS

August 31, 2022

Model operating procedures created by



Student Solutions

and

**Thompson
& Horton** LLP
ATTORNEYS | COUNSELORS

Disclaimer: This information is provided for educational purposes only to facilitate a general understanding of the law or other regulatory matter. This information is neither an exhaustive treatment on the subject nor is this intended to substitute for the advice of an attorney or other professional advisor. Consult with your attorney or professional advisor to apply these principles to specific fact situations.

©2021 by Texas Association of School Boards, Inc.

TASB grants members/subscribers of TASB Student Solutions™ the limited right to customize this publication for internal (non-revenue generating) purposes only.



CONTENTS

Shared Services Arrangements 1

 What is Required 1

 Definitions 1

 Additional Procedures 1

 Shared Services Arrangements 1

 Fiscal Agents 1

 Excluded Entities 1

 Written Agreements 2

 Evidence of Implementation 3

 Resources 3

CITATIONS 3



Shared Services Arrangements

What is Required

The District's Board of Trustees may contract with a public or private entity for the provision of educational services for the District through a shared services arrangement. A shared services arrangement ("SSA") must operate in accordance with the procedures developed by the TEA. The District's regional education service center may serve as the fiscal agent for SSAs in compliance with general program requirements and local district procedures under state law.

Definitions

"Shared services arrangement" is an agreement between two or more school districts, open-enrollment charter schools, and/or educational service centers.

Additional Procedures

Shared Services Arrangements

SSAs are allowed for all grants in the Special Education Grant Application except IDEA-D and SSVI. The SSA agreement should include how eligible carryover funds will be distributed if a member leaves the SSA or if the SSA dissolves. Should a member leave the SSA or the SSA dissolve, the SSA and its members are responsible for handling the accounting and for documenting any transfers of funds. The TEA may request documentation regarding these transfers at any point.

Fiscal Agents

For each SSA, a fiscal agent will be designated by the SSA members to be ultimately responsible for the compliance with grant requirements and conducting administrative duties. The fiscal agent is the applicant that completes and submits a composite application with input from and on behalf of its members. The application may be submitted by completing the TEA's "Application Designation and Certification" form for most eGrants.

The fiscal agent must ensure that funds are used in accordance with grant provisions and will maintain all SSA financial and personnel records required for the TEA, in accordance with Financial Accounting and Reporting ("FAR"). The fiscal agent may be responsible for financial consequences concerning SSA instances of noncompliance or any SSA member unable to repay respective portion of misappropriated funds in question.

Excluded Entities



The following entities cannot provide services through an SSA:

- Colleges/universities;
- Community-based organizations;
- Councils of governments; or
- Other local governments, such as cities and counties.

However, these entities may contract with the SSA's fiscal agent to provide services or enter into a collaborative partnership with the fiscal agent to conduct grant activities but will not be members of the SSA.

Written Agreements

A formal, written SSA agreement that defines the composite entity and outlines the responsibilities of the fiscal agent and each SSA member is required. At a minimum, the SSA will contain the following information:

- Legal requirements, including:
 - Organization of the SSA;
 - Ownership of assets;
 - Policies and procedures addressing disposition of assets if the SSA is terminated by one or all members;
 - Policies and procedures addressing carryover funds if the SSA is terminated by one or all members;
 - Liabilities, including legal fees;
 - Basis for allocation of costs of the fiscal agent; and
 - Uncontrollable costs that impact the fiscal agent.
- Responsibilities of the designated fiscal agent, such as:
 - Services to be provided to SSA members;
 - Employment of personnel;
 - Budgeting and accounting; and
 - Reporting; and



- Responsibilities of members of the SSA, including:
 - Employment or personnel;
 - Budgeting and accounting; and
 - Reporting.

The fiscal agent is responsible for complying with these requirements and for filing the written SSA agreement for audit and monitoring purposes.

Evidence of Implementation

- Written SSA Agreement
- Designation of Fiscal Agent
- Applicant Designation and Certification form (for LEAs eligible for the Special Education Consolidated Grant)

Resources

[The Legal Framework for the Child-Centered Special Education Process: Shared Services Arrangements - Region 18](#)

[Program Guidelines 2018-2019 Special Education Consolidated Grant Application \(Shared Services Arrangements, pg. 9\) - Texas Education Agency](#)

[Guidelines, Provisions, and Assurances - Texas Education Agency](#)

[Shared Services Arrangements Procedures - Texas Education Agency](#)

[Applicant Designation and Certification - Texas Education Agency](#)

[IDEA Fiscal Compliance - Texas Education Agency.](#)

[Sensory Impairments - Texas Education Agency](#)

CITATIONS

Board Policy GNB; Texas Education Code 11.157; 19 Texas Administrative Code 89.1075(f), 89.1141(f)