

Establishing the Base

There are a number of ways to establish the base in a student-based funding formula. For the TISA, the state conducted the following activities to make comparisons:

- Reviewed the “base” amount used in other states with student-based formulas, especially those in the southeast and in similarly sized states
- Reviewed what was funded in the Basic Education Program (BEP) formula, as outlined in the BEP Blue Book.

By ensuring that everything currently funded in the BEP transitioned over to the new proposed TISA formula, it ensured a consistent funding level for all students, with brand new funding built on top of that.

Additionally, by reviewing the base amounts in other states, there was a checks and balances on where Tennessee would fall in the respective funding levels, especially as compared to our regional peers.

State Comparisons

The state reviewed the base amount used in other states who have student-based funding formulas. As expected, those amounts varied significantly. With the current information published on EdBuild and Education Commissioner for the States (ECS), Tennessee’s proposed base of \$6,860 would be in the top 15 highest base amounts in the country¹.

Below is where Tennessee stands in relation to other states in the southeast, utilizing the two data sources named above:

- Arkansas: \$7,018
- **Tennessee: \$6,860**
- Texas: \$6,160
- Indiana: 5,703
- Mississippi: \$5,829
- Florida: \$4,319
- Louisiana: \$4,015
- Kentucky: \$4,000
- Oklahoma: \$3,391
- Georgia: \$2,790
- South Carolina: \$2,489

¹ Tennessee would have the 12th highest base in the country and the second highest in the southeast. This is based on both ECS and EdBuild

As a general rule, states do not itemize or enumerate their base amounts. This is because the “base” is intended to be flexible and not prescriptive. Districts may use the funding in whatever way they believe will best meet the needs of the students they serve. That base amount means a student with no additional needs would be funded at the base level. In Tennessee, the decision was to fund a higher base to provide for the basic needs and that led to funding the second highest base in the southeast and the 12th highest base in the country.

BEP Comparisons

Everything currently funded in the BEP—127 individual elements within 46 components—has been transitioned to the new proposed TISA formula. However, in the BEP, not every student is eligible for every element. This means that under the BEP, funding to educate the same student would be different in districts across the state— oftentimes, different between schools within the same district.

For example, in the BEP there is funding allocated for art and music teachers, but only in elementary school; there are different ratios and funding amounts allocated for counselors depending on which grade band the counselor would serve and the size of district; and there are differences in eligibility for resources based on the size of the school the student attends.

This varies across school sizes and grade bands, making for an inconsistent and complicated application of funding – not giving all students the same access to resources. It is the same student, but different levels of funding provided for that student’s baseline education.

For instance, an elementary student may attend a school with 266 students—which, based on BEP ratios, would generate funding for one full-time librarian. That same student may move to another school in the same district that has only 264 students—therefore, not meeting the BEP ratio—and would then only be funded for ½ a librarian.

There are many examples like this throughout the BEP. This is also why it is impossible to identify “a base amount that every student receives” under the BEP, as you can in TISA. The TISA corrects that problem.

Under the TISA, all students receive the same base amount.