



Frequently Asked Questions

Tennessee Investment in Student Achievement

General

What is included in the letters that were sent to districts?

The letter included the total additional funding that students would receive under the new formula (state and local). The letter also included a district breakdown of each element of the formula, based on data that districts submit and using the same projection methodology we use for the BEP. The data was based on FY23 projections, using both five-year (pre-pandemic) trend data and FY22 (periods 2 and 3).

Does the funding include federal dollars?

No. Federal dollars will continue to be allocated separately and would not be part of the TISA.

The letters sent to districts included the additional funding that my district would receive under the TISA. Does this reflect the amount that I would see in my BEP allocation for next year?

No. The additional funding would only apply under the TISA.

When would the new money be available to my district?

If the legislation passes, new funding would begin in the 2023-24 school year.

What is included in the TISA vs. the BEP?

Currently there are a number of things that are funded “outside of the BEP.” This means there are a number of independent grants and programs that are not part of the BEP formula. The TISA works to bring as much funding as possible into one, consolidated education funding plan.

Here are the things that would be **included in the TISA** education plan:

- School Safety (included in the base)
- Coordinated School Health (included in the base)
- Family Resource Centers (included in the base)
- The Charter School Facility Fund (included in weights)
- The Fast-Growing Infrastructure Stipend (NEW, separate)
- The Fast-Growing Enrolment Stipend (increased amount, calculated annually and separate)

Here are the things that would continue to be **funded outside of the TISA**:

- LEAPS
- Summer Programming (includes federal funding)
- Voluntary Pre-K
- Salary equity

One-time funding would continue outside of the formula, as those dollars are not recurring. This includes things like the one-time SRO grant (slated to run out of funding in 1-2 years) and the Future Workforce Initiative. Those grants will expire when the funding is gone.

Which grants are included in the FY23 BEP funding number we received? Are those grants also included in the TISA award amount?

Both BEP FY23 and TISA FY24 projections include Coordinated School Health, School Safety and Family Resource Centers. Under the TISA, these resources would be funded for all districts, not just some. The program requirements remain.

Is there more or less flexibility in the TISA compared to the BEP?

The TISA provides the same or greater flexibility as the BEP.

Can this funding help sustain positive programs we have started under the one-time federal funds?

Yes.

Is this a funding plan or a spending plan?

This is a funding plan. It would give districts funding based on the students it serves. How districts choose to spend their funds remains a local decision.

Formula

What are the components of the formula?

The TISA has three components for all districts: the [base](#), the [weights](#), and [direct funding](#). There are also other components of education funding in the TISA, including [outcomes funding](#) and stipends for fast-growing districts. More information on student-based funding can be found [here](#) and [here](#).

How do I calculate the TISA vs. the BEP?

The **TISA** requires adding up a simple multiplication for 20 lines. You can find the template for calculating the TISA [here](#).

The **BEP** requires the state and districts to determine eligibility criteria for over 120 items within 46 components, applying a ratio, multiplying the value by that ratio and then adding those values together, at the grade, school, and district levels. The BEP Handbook for Computation is available [here](#).

How much of what is funded under the BEP is funded in the TISA?

The funding associated with each of the elements in the 46 components of the BEP are included in the TISA:

- Funding for “at-risk” is included in the economically disadvantaged weight.
- Students with disabilities, English learners, and gifted students are included in the Unique Learning Needs weights.
- CTE is included in direct funding.
- The remainder of the 46 components are included in the base.

Is there a change to class-size ratios in the new funding formula?

No.

If future mandates are added to districts, is that included in the formula or would those require additional funds?

The proposed investment of over \$1 billion in new state dollars covers existing state mandates and emphasizes supports for students. If the Tennessee General Assembly passes new legislation with additional requirements for districts that have additional costs associated, that would produce a fiscal note for funding for those new services or requirements.

Base

What goes into the base?

Each of the elements within the 46 components of the BEP are included in the TISA.

- Funding for “at-risk” is included in the economically disadvantaged weight.
- Students with disabilities, English learners, and gifted students are included in the Unique Learning Needs weights.
- CTE is included in direct funding.
- The remainder of the 46 components are included in the base.

How does the proposed base compare to [other base amounts](#) in the Southeast? In the rest of the country?

If passed, the TISA would place Tennessee as the second highest base in the southeast and 12th highest base in the country.

What is included in the base?

The following are included in the base:

- Salaries: Classroom teachers; principal; assistant principals; art, music and PE teachers (elementary) or college and career counselors (secondary); counselors; social workers; school psychologists; librarians; nurses; school secretaries; substitute teachers; duty free lunch; intervention; and custodians

- Materials: textbooks; technology; materials and supplies; equipment and non-instructional equipment; classroom-related travel
- Operations: maintenance and operations; transportation; school safety; coordinated school health; family resource centers; alternative schools
- System Supports: superintendent; technology directors; system secretarial support; systemwide instructional supervisors

Is school safety included in the base?

Yes.

Is Voluntary Pre-K (VPK) included in the base?

No, VPK would continue to be funded outside of the TISA.

Is Coordinated School Health in the base?

Yes.

Are summer camps included in the base?

No, summer programming would continue to be funded through grants using both state and federal funds.

Where are nurses funded?

Funding for nurses is provided in the TISA base, which reflects funding to match the national recommendation for nurses (1 for every 750 students).

Where are counselors funded?

Funding for counselors is provided in the TISA base, which reflects funding to match the national recommendation for counselors (1 for every 250 students).

Weights

What are “weights” in a student-based formula?

Weights are additional dollars provided for students with additional needs. Weights are presented as a percentage of the base. To calculate the value of the weight, you take the weight percentage multiplied by the base amount of \$6,860. That is the dollar value attributed to that weight.

For example, a student who is economically-disadvantaged would generate a weight of 25% in the TISA. That dollar value is $\$6,860 \times 25\% = \$1,715$. Therefore, an economically disadvantaged student would generate an additional \$1,715 in the formula.

How is economically disadvantaged defined?

This existing definition includes a student who is eligible through [direct certification](#). It also includes homeless, foster, runaway, or migrant students who are categorically eligible. Information on the current verification process can be found [here](#).

How is concentration of poverty defined?

This definition means a student who attends a school that is [eligible](#) for the [Title I](#) schoolwide designation (those with high numbers or high percentages of children from low-income families).

How is sparse defined and where did the definition come from?

There is a sparse weight which is defined as 25 students or less per square mile for county districts. The federal definition under SRSA (the Small and Rural School Achievement Program) is 10 students per square mile. The bill reflects a more generous definition, which captures 81 districts.

How is small defined and where did the definition come from?

The federal definition for “small” under SRSA is a district size of 600 students or fewer. The bill reflects a more generous definition at 167% of the federal definition, which captures 25 districts. The median size of a U.S. school district is approximately 1,000 students. This means 40-50% of all districts in the country have fewer than 1,000 students. Tennessee’s definition of small considered these factors and is generous compared to the federal definition.

What are the 10 Unique Learning Needs and where can I go to compare to the existing option codes in the BEP?

The Unique Learning Needs would need to go through rulemaking. However, a proposal is included [here](#) that provides a crosswalk between the TISA and the existing BEP Computation Guide and BEP Blue Book. The process for identification would look the same as it does now.

Would the high-cost special education funding still be in place?

Yes. The high-cost special education funding falls under federal funding and there are no changes.

Does the Characteristics of Dyslexia require an IEP?

No. It requires an assessment and a plan for the student, as outlined in Tenn. Code Ann. §49-1-229 and the [Dyslexia Resource Guide](#).

Would more money be allocated to students with Unique Learning Needs than what is currently allocated under the BEP?

Yes. Students with Unique Learning Needs would benefit from funding that supports the services they need to succeed. This includes [students with disabilities](#), [English learners](#), [gifted](#) students with an IEP, and students with [characteristics of dyslexia](#).

Direct Funding

Can middle school students be funded for CTE in the TISA?

Yes.

Where did the \$5,000 estimate for CTE come from?

The state currently allocates \$4,531 on average for each CTE student. The \$5,000 estimated figure represents a significant increase in CTE funding, which would allow for more funding for high-demand and high-need fields.

Does the TISA cover the cost of 4th graders who score “below” the prior year?

Yes. The TISA would cover the cost of retaking the test; the cost of retention; or the cost of both summer programming and tutoring (\$500). The pathway selected is a district and family choice. The state would pay for the cost of the test (state-provided), the cost of retention (TISA or BEP), or the cost of both summer programming (state and federal funds) and tutoring (\$500).

What funding would we receive for 4th graders who scored “approaching” the prior year?

The statute currently requires that a student in this scenario participate in one of four options: retaking the test, summer programming, tutoring, or retention. The state would pay for the cost of the test (state-provided), the cost of summer programming (state and federal funds), or the cost of retention (TISA or BEP). Students scoring at “below” would also have funding for high-dosage tutoring (TISA only).

Outcomes

What is included in the outcomes section?

The outcomes section aligns to the focus areas in the formula: literacy, college and career readiness, and providing opportunities for all students. You can find more information on the outcomes proposal [here](#).

Does the outcomes funding proposal consider improvement?

Yes. The outcomes proposal considers improvement at the high school level. It also would provide double funding for economically disadvantaged students who achieve established goals.

Does the outcomes section use prior year data? Is that bonus then awarded the following year? Is it true that districts would not need to “apply” for this funding?

Yes. Outcomes funding would be provided on the same schedule as other funding. Districts would not need to apply.

Review of the Formula and Rulemaking

What is the role of the State Board of Education and the department in rulemaking?

The State Board would have a similar level of rule-making authority in the TISA as it does now. It would continue to host a committee, approve ReadyGrad (some of which is included in the outcomes), and review programmatic policies.

The department currently makes a number of decisions about the BEP that are not codified in statute or rule. This bill puts those decisions into a rulemaking process for the first time, bringing greater transparency into those decisions. All rulemaking must be approved by the Government Operations Committee of the General Assembly.

Do the current BEP Blue Book and BEP Handbook for Computation exist in rule?

No.

What is the process for review, and how is that the same or different from the BEP Review Committee?

As part of the TISA public comment, Tennesseans from across the state were able to participate. There was a lot of feedback to allow for that continued inclusive process, as opposed to having a representative body speak for all districts.

In the same spirit, under the TISA, every district would have the ability to participate in an annual process to make requests or suggestions, and all would be included for legislative review. That provides all local communities, organizations, district and school staff, and families the same opportunity to be part of the process, and best represents the unique differences between districts.

Further, districts are still able to have a representative committee provide a report, similar to the BEP Review Committee. The department would include that in the legislative report.

Fiscal Capacity and Maintenance of Effort

What is local share? Do we have that now?

Local share is the proportion of the formula that districts must collectively contribute. In other words, it is the total "Bill" for the formula that then is split amongst districts.

In the **TISA**, local share is 30% of the base and the weights. In the **BEP**, local share is either 30%, 25%, or 50%, depending on which of the 46 components it is being applied to cover.

What is local contribution? Do we have that now?

Local contribution is the dollar amount that an individual district must contribute to the formula. It is part of the current funding formula, and the same definition is used in both the TISA and the BEP.

What is fiscal capacity? Do we have that now?

Fiscal capacity is the calculation to determine how much of the local share a district is responsible for – this is a calculation that happens under the BEP or the TISA.

In the **TISA**, the fiscal capacity would be calculated using the CBER model and provide additional financial assistance to economically distressed and at-risk districts.

In the **BEP**, the fiscal capacity is calculated using an average of the CBER and TACIR models, with three different sets of safety nets. One safety net provides funding for districts based on enrollment declines compared to 2016. A second safety net only applies to two districts. The third safety net is specific to one district to compensate for a statute that created a financial burden for a set period of time. In total, these safety nets total more than \$60 million in aid to districts per year.

Which fiscal capacity model is being proposed under the TISA? Why did the state select that model?

The TISA proposes to use CBER. This model was selected for three reasons: (1) stakeholder feedback reflected a desire to move to one calculation instead of two, as it is under the BEP; (2) it most closely reflected best practice when looking at states across the country, the majority of whom have moved to the more straightforward calculation that is used in Tennessee’s CBER model; and (3) prior legislative intent, as noted in previous legislative sessions.

Is the fiscal capacity calculation for the county or for the LEA?

Fiscal capacity is calculated at the county level under both the BEP and the TISA.

Would maintenance of effort change under the TISA?

No.

Will districts receive future year projections to see the longer-term impacts of the TISA?

Yes. The department sent all districts future year projections of funding under the proposed TISA.

What student counts are included in the TISA projections?

The student counts included in the projections are all based on district-reported and -certified data submitted to the state. Average daily membership (ADM) data was pulled for Period 2 and 3 from the Fall of 2021 and compared to the fully weighted ADMs from the 2020-2021 school year. The resulting change rate was used to adjust up both ADM data and student subgroup counts reported in 2020-2021 to project 2021-2022 student counts (used to generate funds for FY23).

The basis of the student subgroup data was the federally reported data for Economically Disadvantaged, English Learners, Title I eligible schools from FY21. These projections for FY23 were then updated for FY24-30 using the five-year trends of enrollment change for each district prior to the pandemic.

Accountability, Reporting, Data Collection and Funding Disbursement

Would the reporting period be the same as under the BEP?

District data would still be submitted on a monthly basis, but each reporting period would be used. Payments would still be disbursed ten times per year, just as it is under the BEP.

How would adjustments be made when students enter and leave a school/district?

In the current formula, changes in student enrollment are collected and included in district allocations over four reporting periods (months 2, 3, 6 and 7). The TISA formula would capture student movement in a more granular way, allowing districts to capture the data for mobile students more accurately. Under the TISA, districts would report data for each month and would therefore be able to receive funding generated by students for the entirety of the student's enrollment in the district.

Does this benefit students who may qualify for services mid-year?

Yes. Most students qualify for services (like special education) throughout the school year. When the formula uses district-collected and -reported data for each month – as opposed to every few months – districts would receive funding generated by students for the entirety of the student's enrollment in the district.

Does this level of transparency mean that families would now have access to funding information at the school level?

Yes.

Would my district need to collect more data than we already do?

No. All of the data included in the TISA is data that schools and districts are already required to collect and report. Data quality continues to be important.

Would my district need to hire additional staff for the TISA?

No. The staff that currently supports the BEP is sufficient to support the TISA. It is the same data, collected in the same way, with all reports generated by the department and verified by the district.

Is it true there is a federal requirement to report on school-level expenditure data?

Yes. Separate from the TISA, the federal government requires all states, districts and schools to report on funding and spending. That reporting must be publicly available on the district and school's report card. The TISA aligns with those requirements.

For the goal setting section, could the goals for the school board’s plan be the same goals from their strategic plan?

Yes. The TISA would allow for all of the plans currently required from LEAs to be consolidated into one plan and reporting date.

What is the proposed composition of the ad hoc committee?

That is left to the discretion of the General Assembly.

The bill language says that direct and outcomes funding is available subject to appropriations. Does that mean the proposed amounts could be reduced in a tight budget year?

Under any formula, funding is available subject to appropriations. The BEP includes a provision that allows for a proportional decrease in funding. This type of language is also included in the TISA.

Professional Development

Would professional development be available?

Yes. Professional development would be available for all district and school personnel who wish to participate.

Who is required to participate in professional development?

The mandatory professional development includes anyone who is responsible for the development, oversight, or approval of state funds for education.

What happens if you do not pass the assessment?

The administration is proposing an amendment relevant to this topic.

Would we have access to professional development on proper coding of expenditures to ensure our public reporting is consistent and accurate? I know this should already be happening, but the TISA is highlighting how important it is.

Yes. The department would provide significant professional development to all districts that would like additional support.

Educator Salaries

Where does salary equity fit into the formula?

Salary equity would be an additional component to public education funding, similar to fast-growing. These are funds that would be provided above and beyond the TISA.

In the TISA, do teacher salary increases have to go to practicing educators?

Yes. The TISA requires that any funding specifically appropriated for teacher salaries would have to be used on salary increases for those in the classroom. It could not be used for other expenditures like hiring additional teachers or purchasing materials.

The TISA also requires the State Board to increase the minimum salary schedule each year, in alignment with the recurring funding towards salaries.

How is an educator defined in the proposal?

The definition in the TISA is an individual who is evaluated under the state’s evaluation system and who provides direct services to students at a school site.

The governor proposed a \$125 million increase to teacher salaries for next school year, but that would happen before the TISA would go into effect. How would the \$125 million work next year?

Because the TISA would not be in effect, that salary increase would work the same way it does under the current BEP.

Would there still be “TISA-funded” positions, like there are “BEP-funded” positions?

No. Districts would receive funding generated in the formula and have full discretion on how they want to use those funds.

Charter Schools

Do charter schools currently receive additional funding?

Yes. The charter school facility fund currently provides additional funding to charter schools for the costs of facilities. In FY22, this amount was \$24 million.

Why is there a charter weight?

One of the goals of a new formula is to bring as many funding streams as possible into one, consolidated place. This creates more transparency and streamlining for the public. The charter school facility fund has been in place for a number of years and the amount of funding provided to charters outside of the BEP is equivalent to the amount of funding under the TISA.

Other Questions

Are districts able to game the system? Isn’t there an incentive to have districts over-identify students who may generate more funds in the formula?

Just like the BEP, all groups of students who receive additional funding have requirements related to identification. This includes state and federal monitoring and audits by the Comptroller and the federal

government. Data included in the formula is also verified by a third party and subject to escalated inspections and audits. There is no change to current practice, but there is more transparency.

Can the General Assembly make changes to this bill?

The General Assembly is responsible for any review, adjustments, considerations, and movement for potential legislation.

How much change should we expect would occur in this proposal now that it is being considered by the General Assembly?

That is the decision of the General Assembly as they consider this proposal.

Does enrollment impact funding?

Yes. Enrollment impacts funding, whether that is the BEP or the TISA. The TISA allows districts to see that impact more clearly.

Would the TISA be based on current or prior year enrollment data?

Like the BEP, the TISA would be based on prior year enrollment data.

What is the projected total investment for the state and for local in FY23 BEP and FY24 TISA?

- The total amount of state dollars on this sheet shows \$6,251,641,871 for FY24 TISA and \$5,201,611,597 for FY23 BEP. That reflects **new state money in the amount of \$1.05B**. This does not include outcomes funding.
- The total amount of local dollars on this sheet shows \$2,512,733,997 for FY24 TISA And \$2,654,610,410 for FY23 BEP. That reflects a **\$141,876,413 reduction in total local**.
- That local share (bullet above) would not begin to increase again statewide until FY27.