TENNESSEE COMPTROLLER OF THE TREASURY

OFFICE OF RESEARCH AND EDUCATION ACCOUNTABILITY

TENNESSEE INVESTMENT IN STUDENT ACHIEVEMENT: FIRST-YEAR IMPLEMENTATION

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Introduction

In 2022, the General Assembly created a new K-12 education funding formula – the Tennessee Investment in Student Achievement (TISA) – after years of consideration and debate on how public education in the state should be funded. TISA replaced the Basic Education Program (BEP), the state's former funding formula.

TISA made a number of changes in the way state education dollars are allocated to public schools. In fiscal year (FY) 2023-24, the General Assembly appropriated a recurring $6.5 billion for K-12 education through TISA, representing 33 percent of all recurring state tax dollars appropriated for that year.[A]

Once TISA became law in 2022, statewide preparation began for the first year of implementation in 2023-24, with coordinated efforts made by staff at the school, district, and state levels. Implementation of TISA included rulemaking, soliciting feedback from the public and stakeholders, calculating allocations, and more.

State law at *Tennessee Code Annotated* (*TCA*) 49-3-111(d) requires the Comptroller's Office of Research and Education Accountability (OREA) to review and study TISA to determine the effectiveness of state expenditures on K-12 education and to report on conclusions and any legislative recommendations to the Speakers of the Senate and the House of Representatives as well as members of the education committee of the Senate and education administration committee of the House by December 31, 2024. The TISA law also includes other accountability measures to evaluate and review the formula and its implementation, including annual reports from districts and the Tennessee Department of Education (TDOE), which are discussed later in this report.

Research methods

OREA's research for this report included an extensive study of state laws and rules as well as a review of archived meetings, relevant training materials, the TDOE's TISA Guide, and related publications.

Financial data

OREA reviewed financial reporting, including expenditure data, provided by TDOE for FY 2022-23, the last year of the BEP, as well as for FY 2023-24, the first year of TISA. OREA also reviewed appropriations acts passed by the General Assembly, annual budget documents issued by the Governor, and statistics posted on TDOE's website.

Stakeholder meetings and other opportunities for public input

OREA reviewed archived recordings of various stakeholder meetings that took place during the lead-up to TISA's passage by the General Assembly, including TDOE-hosted committee meetings, subcommittee meetings, and town halls. Related materials, such as agendas and, when available, minutes for these meetings were also reviewed. OREA also reviewed archived video of legislative committee meetings during which TISA-related legislation was discussed, as well as State Board of Education (SBE) meetings related to TISA rules.

Interviews

To learn more about the implementation of TISA, OREA interviewed various stakeholders, including representatives from TDOE and SBE. OREA also interviewed Directors of Schools and finance staff from six districts, representing all three Grand Divisions, in February 2024.

These interviews helped inform the TISA survey created for all Tennessee district leaders.

[A] Tennessee's fiscal year is July 1–June 30. The 2023-24 fiscal year started July 1, 2023, and ended June 30, 2024.

Survey of district leaders

At the conclusion of the interview phase of this project, OREA surveyed district directors.[B] A link to the survey was emailed to district directors on June 21, 2024. Any district personnel could respond on behalf of the district, and district directors were able to share the survey link with other district personnel.

A reminder email was sent on July 8 to those who had not responded. The survey closed on July 10, though OREA granted an extension to districts that requested additional time.

A total of 122 representatives from 116 Tennessee school districts submitted a survey response. Duplicate responses from the same respondent and blank submissions were removed from the dataset.

In cases of multiple submissions from the same district, OREA used responses to multiple-choice questions from the highest-ranking district official. For open-ended questions, responses were combined to form a single submission.

After the survey data was cleaned, survey responses from 110 districts remained for analysis.

Legislative history

For approximately 30 years, the Basic Education Program (BEP) was the K-12 education funding formula in Tennessee. At various points over the years, lawmakers, advocacy groups, and other stakeholders recommended changes to the formula. In 2014, then-Governor Bill Haslam established a BEP Task Force to study the BEP and make recommendations to improve the K-12 funding formula. In its 2015 status report, the Task Force identified four principles that guided its recommendations for BEP reform: equity, efficiency and effectiveness, flexibility and innovation, and transparency.

In October 2021, Governor Bill Lee announced a plan to review the BEP and replace it with a new formula that would eventually be called the Tennessee Investment in Student Achievement (TISA). Following the governor's announcement, TDOE established 18 subcommittees grouped according to specific issues.[C] Subcommittees comprised over 200 stakeholders, including students, teachers, parents, lawmakers, advocates, and community leaders. TDOE also formed a legislative steering committee to provide transparency and gather feedback.[D] Over the next few months, TDOE conducted subcommittee meetings as well as district meetings and regional stakeholder meetings.

In January 2022, TDOE released its draft framework of the proposed new funding formula, which Governor Lee announced in that year's State of the State address would be strengthened by a $1 billion investment of new state funds in the education system should the formula become law. The bill that would ultimately become the TISA law was filed in the House on January 31 and in the Senate on February 1, 2022.

Supporters said the proposed new formula was simpler than the BEP and would be more transparent. Opponents said the creation of the proposed new formula was rushed, that the language in the bill creating TISA was vague and left too many decisions for the rulemaking process, and that funding inequities among districts would not be adequately addressed.

Throughout the 2022 legislative session, the General Assembly reviewed and discussed the proposed legislation. The House K-12 subcommittee first discussed the bill on March 8, 2022, and the Senate Education committee followed on March 23, 2022. The bill continued through committees and the General Assembly passed the bill, which Governor Lee subsequently signed into law (Public Chapter 966) on May 2, 2022.

[B] The survey instrument is included in Appendix B.
[C] See Appendix J for a full list of subcommittees.
[D] See Appendix K for a list of steering committee members.

Budget surplus contributed to TISA passage and implementation

The General Assembly decides how much funding to appropriate for K-12 education through the state's annual budget process per *TCA* 49-3-102.[1] The funding appropriated[E] by the General Assembly is then allocated to local school districts through the TISA formula and is distributed by TDOE.

In 2022, Tennessee had a budget surplus in excess of $2 billion in recurring state tax revenue over its recurring expenditure obligations. This unusually large budget surplus meant a substantial investment in K-12 education was possible, which contributed to TISA's passage that year.

Ultimately, nearly $1.16 billion in additional funding was appropriated for K-12 education in conjunction with TISA's creation.

Exhibit 1 details the K-12 funding formula budgets for the last three completed fiscal years as well as the extraordinary increase (nearly $1.16 billion) for FY 2023-24.

Exhibit 1: In the first year of TISA, the General Assembly invested an additional $1.16 billion in K-12 education

2021-22 budgeted for BEP	2022-23 budgeted for BEP	2023-24 budget increase	2023-24 budgeted for TISA
$ 5,158,325,000	$ 5,355,579,000	**$ 1,158,095,000**	$ 6,513,674,000

Source: 2022, 2023, and 2024 state budget documents.

The almost $1.16 billion increase from FY 2022-23 to FY 2023-24 equated to a 21.6 percent budget increase for K-12 education through the funding formula budget. Looking back to FY 2011-12, K-12 education funding formula budgets increased at a much lower rate, as shown in Exhibit 2.

Exhibit 2: The General Assembly's investment of nearly $1.16 billion in the first year of TISA increased state funding for K-12 education by almost 22 percent
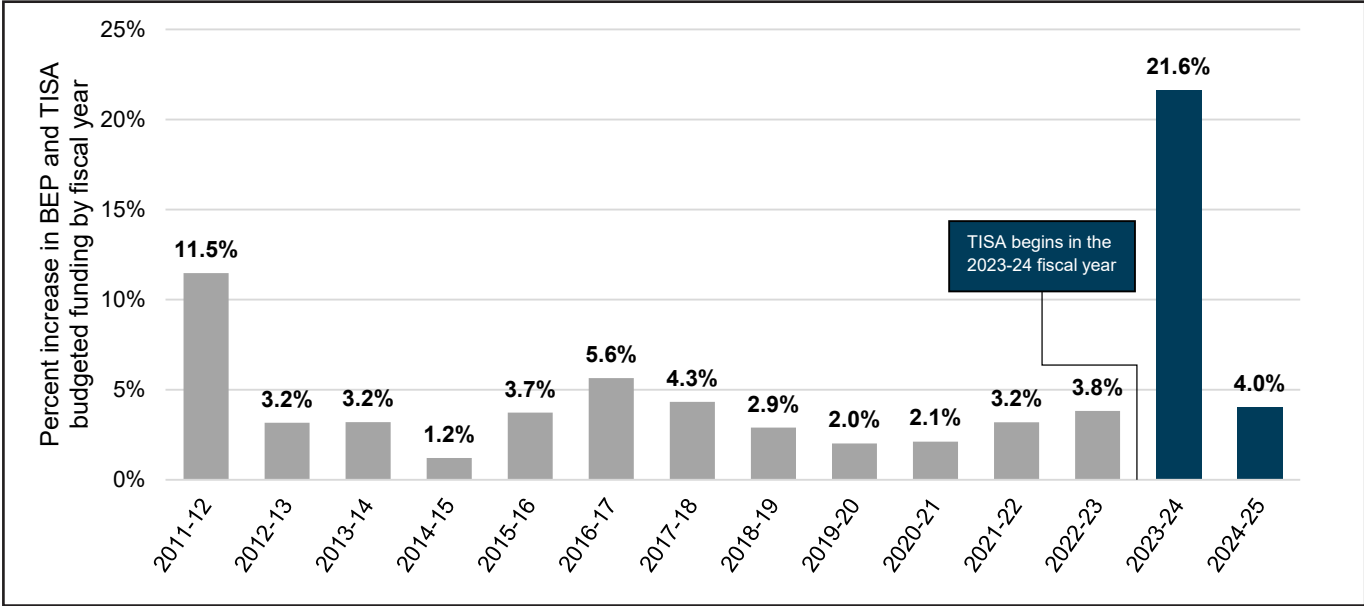
Note: This exhibit excludes changes made to the FY 2024-25 TISA budget during the 1st Extraordinary Session of the 114th General Assembly.
Source: State budget (FY 2012 through FY 2025).

For TISA's second year (2024-25), an additional $261 million was appropriated through the K-12 funding formula, equivalent to a 4 percent budget increase.

[E] The funding appropriations is listed in Section 1, Title III-9, Item 2.1(c) of each year's appropriations act. Section 11 of the annual appropriations act describes "provisions, limitations, or restrictions" regarding TISA funding.

Exhibit 3: In the second year of TISA implementation, an additional $261 million was appropriated through the K-12 education funding formula | FY 2024-25

2023-24 budgeted for TISA	2024-25 budget increase	2024-25 budgeted for TISA	% budget increase from prior year
$ 6,513,674,000	$ 261,254,000	$ 6,774,928,000	4.01%

Note: This exhibit excludes changes made to the FY 2024-25 TISA budget during the 1st Extraordinary Session of the 114th General Assembly.
Source: 2024 state budget and FY 2024-25 work program.

Public education funding formula models vary by state

In student-based funding models like TISA, districts receive a base amount of funding for all students and additional funding for students who meet certain criteria. States with resource-based funding models like the BEP, by contrast, allocate funding based on minimum required resources for schools, such as staffing, services, and programs. Hybrid models combine aspects of student-based and resource-based funding models.

As of March 2024, the District of Columbia and 35 states, including Tennessee, use a student-based K-12 funding formula. (See Exhibit 4.)

Exhibit 4: Most of the nation's statewide K-12 school systems use a student-based funding formula

| Funding model type	States
Student based Districts receive a base amount of funding per student and receive additional funds based on individual student needs	Alaska, Arizona, Arkansas, California, Colorado, Connecticut, District of Columbia, Florida, Hawaii, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, **Tennessee**, Texas, Utah
Resource based Districts receive funding based on minimum required resources for schools, such as staffing, services, and programs	Alabama, Delaware, Idaho, North Carolina, South Dakota, Virginia, Washington, West Virginia, Wyoming
Hybrid Combination of student- and resource-based models	Georgia, Illinois, Maine, Massachusetts
Other	Vermont, Wisconsin

Source: Education Commission of the States.

See Appendix C for more information on funding formulas by state and funding model type. TISA relies on various components to generate funding, which, like other student-based funding models, starts with base funding for each student in a district.

Formula elements in the TISA funding calculation

K-12 education funding is distributed to Tennessee school districts through the TISA formula on a per-student basis, using student enrollment and students' identified learning needs. The TISA formula consists of four funding components:

- *Base funding* – the base amount of funding allocated for each student
- *Weighted funding* – additional funding for students with certain characteristics
- *Direct funding* – additional state funding intended to support students in five priority areas
- *Outcomes funding* – additional state funding earned by districts based on students meeting specific academic benchmarks

Exhibit 5: TISA has four funding components – base, weighted, direct, and outcomes

Outcomes – additional state funding earned by districts based on students meeting specific academic benchmarks

Direct – additional state funding intended to support students in five priority areas

Weighted – additional funding for students with certain characteristics

Base – the base amount of funding allocated for each student
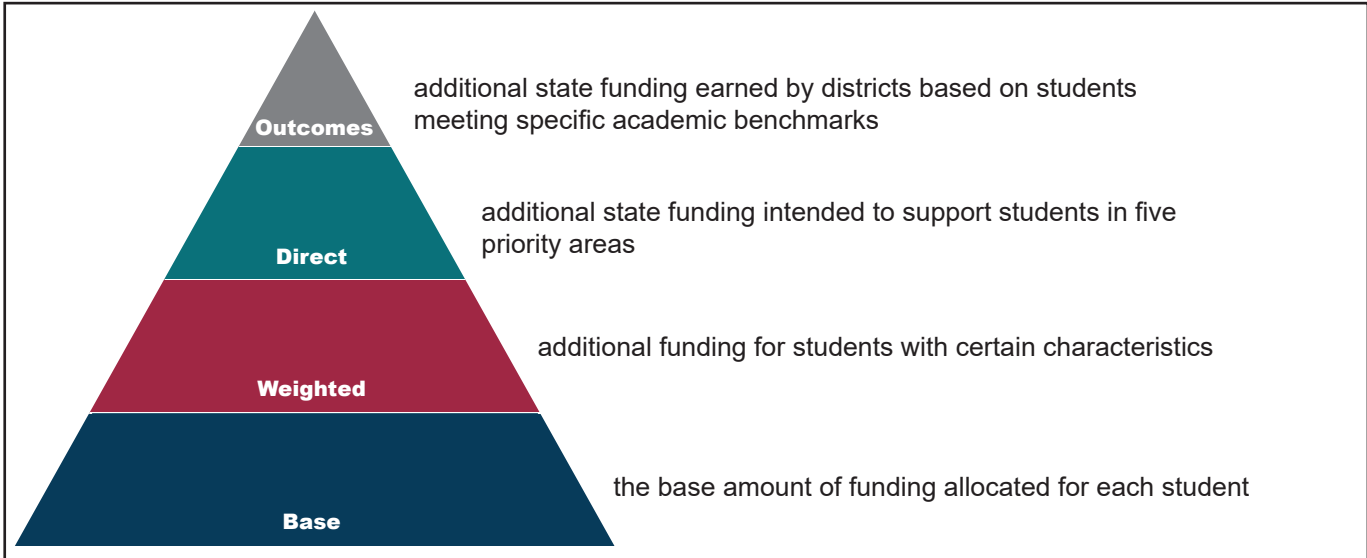
Source: Tennessee Department of Education.

Under the BEP, funding was split between the state and local governments across four funding categories. For two of the categories, the split was 70 percent state and 30 percent local. For the other two categories, one was split at 75 percent state and 25 percent local and the other 50/50.

Like the BEP, TISA also has four funding categories, but only two have a state and local split. The base funding category and the weighted funding category both have a split of 70 percent state and 30 percent local.[F] For the other two categories (direct funding and outcomes funding), there is no state/local split; the state provides 100 percent of the funding.

Exhibit 6: BEP component funding compared with TISA component funding

Funding components	
BEP: Resource components	**TISA: Per-student components**
1. Instructional salaries – State funds 70%	1. Base funding – State funds 70%
2. Instructional benefits – State funds 70%	2. Weighted funding – State funds 70%
3. Classroom – State funds 75%	3. Direct funding – State funds 100%
4. Non-classroom – State funds 50%	4. Outcomes funding – State funds 100%

Source: Office of Research and Education Accountability.

[F] These percentages of participation are at the statewide level and do not reflect the percentages of state participation at the school district level after fiscal capacity is applied to each school district. Some districts will ultimately receive more or less than the 70 percent state match amount depending on their local capacity to fund their schools.
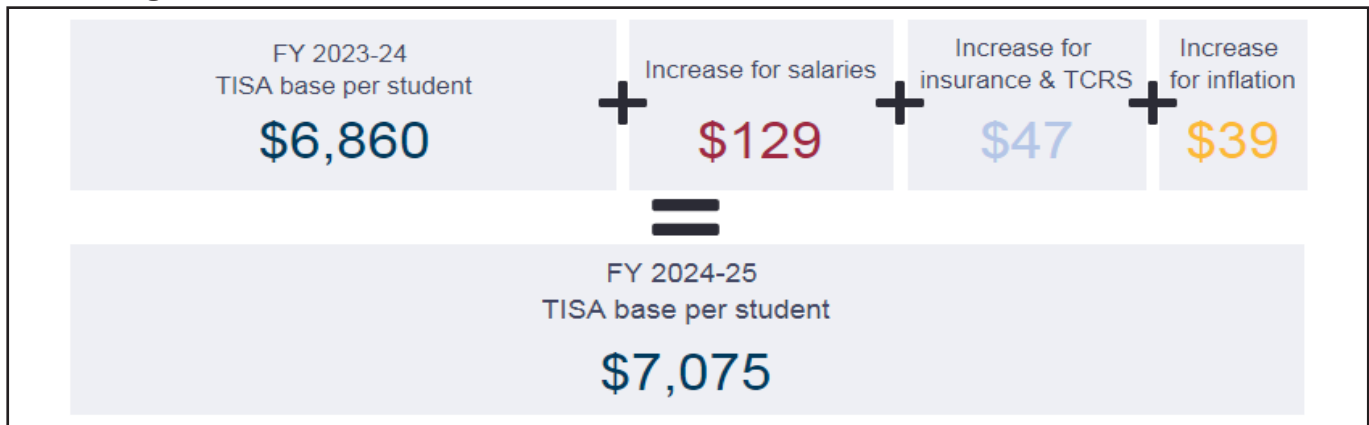
Base funding

State law defines the base funding amount under TISA as the uniform dollar amount that each student generates toward the student's funding allocation in a given year.[2] Base funding is for the following expenses:

- instructional supports (e.g., salaries for teachers, administrators, and other school staff);
- materials and supplies (e.g., textbooks, technology, equipment, and classroom-related travel);
- operational expenses (e.g., maintenance, transportation, school safety, coordinated school health programs, family resource centers, and alternative schools);[G] and
- system supports (e.g., district-level staff such as superintendents and technology directors).

Every student generates the same base funding amount. For the 2023-24 school year, the base funding amount per student was $6,860. For 2024-25, base funding increased to $7,075 per student. Drivers of the increased base amount include inflation, educator salary obligations, rate changes for retirement benefits, and insurance premium increases.

Exhibit 7: TISA base funding increased to $7,075 per student for FY 2024-25 in response to inflation and to help pay for educator salary obligations, insurance premium increases, and rate changes for retirement benefits

FY 2023-24 TISA base per student $6,860 + Increase for salaries $129 + Increase for insurance & TCRS $47 + Increase for inflation $39 = FY 2024-25 TISA base per student $7,075

Source: TDOE presentation to the Senate Finance, Ways & Means committee on March 26, 2024.

Educator salary increases

The TISA law specifies that a portion of any annual increase in the base funding amount may be restricted by the General Assembly for the sole purpose of providing salary increases to existing educators. The SBE must increase the minimum salary on the state salary schedule based on the amount of funds restricted by the General Assembly for salary increases.

TISA funding in 2023-24 included $125 million that could only be used by districts to increase existing educators' salaries. Because these funds are included in the base of TISA, they are jointly funded by the state and local governments, and the state portion of funds ($87.5 million) is distributed to locals based on each district's proportional share of statewide student enrollment.[H] The General Assembly again restricted $125 million of the TISA base funds ($87.5 million of which is state funding) in 2024-25 for the purpose of providing salary increases to existing educators. Districts and charter schools are required to report to TDOE how the funds restricted for existing educator salaries are utilized, and TDOE is required to report this information to the SBE and General Assembly.

[G] Under the BEP, districts received separate grants by Coordinated School Health (CSH), Family Resource Centers (FRC), and school safety that are now included in base funding under TISA.

[H] According to the TISA rule (Rules of the Tennessee Department of Education, Chapter 0520-12-05-.14 (b)), TDOE is required to report to districts and public charter schools the respective restricted amount of funds to be used for these purposes.

OREA's June 2024 survey of districts included a question about how this funding was allocated. Forty-three districts increased existing educator salaries by a set percentage applied to all educators. In other districts, the percentage increase varied by position. For example, a district might increase salaries for hard-to-staff positions[I] by up to 12 percent while increasing the salaries of other positions by 1 or 2 percent.

Twenty-five districts increased existing educator salaries by a set dollar amount as opposed to a percentage increase. Ten of those districts included a specific increase that staff in their district would receive for the 2023-24 school year, ranging from $500 to $5,000. Some of these districts increased all salaries by the same dollar amount while others adjusted the amount based on experience, degree advancement, or other metrics.

Some respondents indicated they are aligning their salary increases with Tennessee's minimum salary schedule to match the required minimum outlined in statute each year. A 2023 state law (separate from TISA) requires the minimum salary for educators to be increased to $50,000 by FY 2026-27.[J]

Exhibit 8: A 2023 state law requires the minimum salary for educators to be increased to $50,000 by FY 2026-27

Fiscal year	Tennessee minimum salary schedule
2023-24	$42,000
2024-25	$44,500
2025-26	$47,000
2026-27	$50,000

Source: *TCA* 49-3-306(a)(3).

Weighted funding

TISA provides additional funding for students based on their individual needs. For example, a student with unique learning needs (ULNs) may require additional funding beyond the base amount to provide supports such as physical therapy and speech/language programs.

The TISA law specifies percentages of base funding that are to be added for eligible students in five weighted funding categories:

1. Student who is *economically disadvantaged*: 25 percent
   Economically disadvantaged students generate an additional 25 percent of TISA funding. Economically disadvantaged students are those identified as a foster, runaway, or migrant student;[K] those experiencing homelessness; and those eligible for free or reduced-price school meals or milk through direct certification in alignment with Tennessee's state ESSA plan.[L]

2. Student who experiences *concentrated poverty*: 5 percent
   Students who attend schools eligible for the Title I schoolwide designation generate an additional 5 percent in TISA funding. Schools eligible for Title I schoolwide status have a schoolwide poverty rate of 40 percent or above.[M]

[I] Positions classified as hard-to-staff vary by district. In addition to teachers of certain subjects and grades, hard-to-staff positions can include custodians, educational assistants, school clerical staff, school security officers, and others.

[J] TISA law at *TCA* 49-3-105(e) allows the General Assembly to restrict a portion of any base increase to be used for salary increases of existing educators. Another state law, *TCA* 49-3-306(a)(3), was enacted in 2023 and details the required minimum educator salary each year until 2026-27.

[K] Migrant students are defined in federal law as children who made a qualifying move in the preceding 36 months as a migratory agricultural worker or a migratory fisher; or with, or to join, a parent or spouse who is a migratory agricultural worker or migratory fisher.

[L] Direct certification is a process allowing students in households that qualify for one government assistance program to automatically qualify for other government programs. For example, districts may automatically enroll students in the federal free and reduced-price meals program if they come from households that are already enrolled in the Supplemental Nutrition Assistance Program (SNAP) or Temporary Assistance for Needy Families (TANF).

[M] Schools that have been granted Title I status because of waivers or grandfather status are not included in the concentrated poverty designation.

3. Student who resides in a *small district*: 5 percent
   Students who attend a small district generate an additional 5 percent in TISA funding. Small districts are defined in state law as having 1,000 or fewer students enrolled. See Appendix D for lists of small districts for 2023-24 and 2024-25.

4. Student who resides in a *sparse district*: 5 percent
   Students who attend a sparse district generate an additional 5 percent in TISA funding. Sparse districts are defined as county districts located in a county with fewer than 25 students per square mile. (The sparse district designation does not apply to municipal school districts or special school districts.) See Appendix D for lists of sparse districts for 2023-24 and 2024-25.

5. Student who has *unique learning needs*: percentage determined by student need
   Students may fall under one or more of 10 levels of unique learning needs (ULNs). Each of the 10 levels has a different funding weight. The 10 ULN levels encompass three student subcategories: students with disabilities, English learners, and students with characteristics of dyslexia. Specific categorizations for each level are set in TISA rules by TDOE after being submitted to the SBE for a positive, neutral, or negative recommendation.

All weights are calculated as a percentage of the allocated base amount per student. As the base changes with the annual appropriation from the General Assembly, the allocations generated by each weighted category also change. Districts maintain the data used to determine how many students will generate weighted funding. Weighted allocations are *not* mutually exclusive, so a student may generate more than one weight (e.g., a student at a school that qualifies for the concentrated poverty weight and is in a district that is both small and sparse will generate an additional 15 percent of TISA base funding).

Students with unique learning needs

There are three subcategories of students with ULNs:

- Students with disabilities – students with individualized education programs (IEPs)

- English learners – students with limited English proficiency

- Students with characteristics of dyslexia – For the purposes of TISA funding, "characteristics of dyslexia" means a student who meets one of the following assessment criteria:

  ○ *Grades K-3*: The student falls below the 25th percentile on the composite score of the Tennessee universal reading screener or a nationally normed, skills-based screener approved by SBE.

  ○ *Grades 4-8*: The student falls below the 25th percentile on the composite score on an SBE-approved universal reading screener.

  ○ *Grades 9-12*: The district's early warning system detects that a student may be at risk for a reading deficit.

  In addition to meeting the grade-based criteria, the student must also display deficits in 50 percent or more of the grade-appropriate subtests identified by Tennessee's minimum universal reading screening matrix and have a finalized individualized learning plan for students with characteristics of dyslexia (ILP-D).

Students with ULNs generate funding according to the levels and weights shown in Exhibit 9. According to TDOE's TISA guide, a student may generate up to four ULN codes and may generate the same ULN code more than once if they meet multiple criteria. See Appendix E for more information on special education option codes used for ULN weights.

Exhibit 9: Funding weights for students with unique learning needs

Level	Weight	Description
ULN 1	15%	Special education option code 1
ULN 2	20%	Special education option code 2 English learner tier 1 Characteristics of dyslexia
ULN 3	40%	Special education option code 3
ULN 4	60%	English learner tier 2
ULN 5	70%	English learner tier 3
ULN 6	75%	Special education option code 4
ULN 7	80%	Special education option code 5
ULN 8	100%	Special education option code 6
ULN 9	125%	Special education option code 7 Special education option code 8
ULN 10	150%	Special education option code 9 Special education option code 10

Source: *TCA* 49-3-105(b); Tennessee Department of Education.

On the OREA survey, district personnel were asked about any changes made to the identification of students with ULNs under TISA. Forty-six districts indicated they have *not* made changes, with some stating their existing procedures were sufficient or that service needs for students did not change.

Forty-three districts stated *some* changes were made; four indicated there were *many* changes. The changes included hiring new personnel, implementing additional checks to ensure the accuracy of student codes, and using screener data for identification.

Direct funding

TISA includes direct funding intended to support students in five priority areas. Direct funding items are 100 percent state funded with no local match requirement. Direct funding is set through the state budget and appropriations process and may change from year to year. Aside from 4th grade literacy support, all direct funding items are multiplied by the student ADM (average daily membership), which is determined by student enrollment and class assignment for each of the nine reporting periods throughout the school year.[N] For the first two years of the TISA formula (2023-24 and 2024-25), direct funding levels remained the same.

Exhibit 10: Direct funding levels remained the same for the first two years of the TISA formula

Direct funding category	2023-24	2024-25
K-3 literacy	**$500** per eligible student ADM	**$500** per eligible student ADM
Grade 4 literacy support	**$500** per eligible student	**$500** per eligible student
Career and technical education	**$5,000** per eligible student CTE ADM	**$5,000** per eligible student CTE ADM
ACT for grades 11 and 12	**$93** per eligible student ADM	**$93** per eligible student ADM
Charter school students	**$509** per eligible student ADM	**$504** per eligible student ADM

Note: Funding for the ACT covers the initial test opportunity and one retake, which brings the total per student to $186.
Source: Section 11, item 1(c) of both PC 418 of 2023 and PC 966 of 2024.

[N] Career and technical education (CTE) ADM is calculated first with class enrollment, then by calculating the portion of the student's instructional day spent in the CTE course. For example, a student may have a block schedule of four courses and one of those courses is a CTE class, so the student generated a CTE ADM of 0.25 for that reporting period.

According to state law, direct allocations are generated for the following students:

1. Students in K-3: The funding is to help all students read at grade level by 3rd grade.[O] In 2023-24 and 2024-25, the General Assembly allocated $500 per K-3 student.

2. Rising 4th grade students who are not proficient in English language arts (ELA): The funding is to provide tutoring or other help to rising 4th grade students who score below proficient on the ELA portion of the 3rd grade TCAP.[P] In the last two years, the General Assembly allocated $500 per eligible student.

3. Students in career and technical education (CTE) programs: The funding amount is based on the CTE program level (1, 2, or 3) and a student's progress through the program (year 1, 2, 3, or 4).[Q] Direct funding for all CTE students, regardless of program level and student progress, was set by the General Assembly at $5,000 per eligible student for 2023-24 and 2024-25. This was done to allow students currently enrolled in CTE programs to complete coursework without significant shifts in funding for CTE programs.

4. High school juniors and seniors taking the ACT for the first time, as well as one retake: In the last two years, the General Assembly allocated $93 for each ACT test ($186 total) to cover a student's initial ACT test and one retake. Unlike all other direct funding, which is allocated to districts, funding for this category is maintained by TDOE.[R]

5. Students who attend public charter schools: In 2023-24, the General Assembly allocated $22 million for charter school students, which equates to about $509 per eligible student. A district's average daily membership of students enrolled in public charter schools is used for determining the distribution of funding to districts. This funding may also be used to support the facilities needs of charter schools.

Both TISA law and TDOE rule outline the five direct funding priorities, so any future changes to direct funding priorities will require a change to law as well as to rule.

Outcomes funding

The fourth component of TISA is outcomes funding, which allocates additional state funding to districts that achieve specific student performance targets. Outcomes funding is fully funded by the state with no local match requirement. A student can generate outcomes funding once in elementary school, once in middle school, and once in high school. In 2023-24, TDOE distributed over $87 million in outcomes funding to 142 of the 144 school districts[S] in three installments. Over 90 percent of the funding was allocated to districts in the first payment[T] on December 27, 2023.[U] The median outcomes funding awarded to districts in the first year of TISA was $301,154, and the average funding per district was $609,616.

Uncertainty about the amount of outcomes funding is a budgeting challenge for some districts. By design, fluctuations in student achievement trigger fluctuations in outcomes funding, and some districts indicated this uncertainty poses challenges. The timing of outcomes funding estimates was also cited by some districts as a challenge. TDOE released its third and final outcomes disbursement for FY 2023-24 on March 20, 2024. On OREA's survey, several districts stated that outcomes data is not available until the budget has either been completed or is well underway. For school districts, the budget planning process for the coming school year

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[O] A district's funding is based on the prior year ADM of all students in grades K-3, averaged across all nine reporting periods.

[P] Because TISA is based on prior year data, funds are generated based on the district in which the student tested rather than where they enrolled in the following year.

[Q] Program levels are based on statewide demand for the occupation associated with a program and whether the occupation has been designated a high-wage occupation.

[R] ACT funding is managed by TDOE because of their state contract to provide two ACT assessment administrations on behalf of the districts. Because the contract includes so many student assessments, the department can secure a better rate on the ACT and provide this service at no cost to districts.

[S] Carroll County and the Department of Children's Services did not receive outcomes funding.

[T] Payments to locally administered school districts were made on December 27, 2023, for $79,796,206; March 1, 2024, for $3,531,528; and March 20, 2024, for $4,007,612 for a total of $87,335,346.

[U] The General Assembly appropriated $80 million for outcomes bonuses in FY 2023-24, yet approximately $87 million in outcomes bonuses were generated that year. In such an event, the appropriations act requires the department to prorate outcomes bonuses to equal the amount appropriated, though *TCA* 49-3-106(e) allows unspent TISA funds to supplement outcomes bonuses. The December 27, 2023, outcomes bonus payments to districts totaled $79,796,206, nearly the full amount appropriated ($80 million). In March 2024, TDOE allocated an additional $7,539,140 in unspent TISA funds to districts in two payments.

begins in early spring. OREA's survey asked districts about the inclusion of outcomes funding in their budgets. Seventy-eight of the 109 districts that responded to this survey question stated outcomes funding estimates were not included in their 2023-24 budget. Twenty-one districts indicated they included the estimate.

For the 2024-25 school year, 62 districts reported not including the estimate, a lower number than the 78 that reported not doing so in the previous year, as shown in Exhibit 11. Several of these districts planned to estimate the same amount of outcomes funding from the previous school year in their 2024-25 budget. Others planned to delay spending outcomes funding until the following year. For example, outcomes funding received in the 2023-24 school year would not be spent until the 2024-25 school year.

Exhibit 11: The majority of respondents did not include outcomes funding estimates in their budgets in the first two years of TISA (n=109)

2023-24 school year budget		2024-25 school year budget	
Yes, my district included an outcomes funding estimate in its 2023-24 budget.	21	Yes, my district included an outcomes funding estimate in its 2024-25 budget.	34
No, my district did not include an outcomes funding estimate in its 2023-24 budget.	78	No, my district did not include an outcomes funding estimate in its 2024-25 budget.	62
I'm not sure.	10	I'm not sure.	13

Note: Out of 110 survey submissions, 109 provided responses to questions related to this exhibit.
Source: OREA survey.

See Appendix F for information on the outcomes funding committee and its membership and Appendix G on outcomes funding by district in FY 2023-24.

Required local match

Under TISA, state government and local governments share responsibility for funding K-12 education. The amount of funding that is the responsibility of local governments is the local share.[V] Each school district is responsible for funding a portion of the statewide local share, and the amount required from each school district is known as the required local match, or the local contribution.[W]

Each school district's required local match amount is determined by fiscal capacity, a measure of each county's ability to raise funds for education. School districts in counties with a lower fiscal capacity receive a higher percentage of their total TISA funds from the state; by contrast, counties with a higher fiscal capacity receive a lower percentage.

TISA uses two fiscal capacity models: one calculated by the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) and the other by the Boyd Center for Business and Economic Research at the University of Tennessee.[X] TDOE averages the two calculations to produce a fiscal capacity index, which is a list of each county's fiscal capacity expressed as a percentage. (Appendix H shows the fiscal capacity for all school districts and the change in fiscal capacity between FY 2022-23 and FY 2023-24.) All school districts within a county have the same fiscal capacity because fiscal capacity is calculated at the county level, not the school district level. In the 2023-24 school year, there were 28 multi-district counties in Tennessee, encompassing 46 city and special school districts.[Y]

[V] The locally administered school districts (141 in 2023-24) funded through the TISA funding formula are required to provide a local match. Two of the three state-administered school districts – the Achievement School District (ASD) and the Tennessee Public Charter School Commission (TPCSC) – receive TISA funds indirectly through the local district in which ASD and TPCSC schools are geographically located and then paid back to those two state entities based upon student enrollment numbers. The Department of Children's Services school district receives TISA funds but does not require a local match.
[W] Funding bodies for county school districts are county commissions and for city school districts are city councils. Special school districts are considered their own funding bodies because they can set a special tax rate with the approval of the General Assembly, giving them more direct responsibility for maintaining local funding levels than city and county school districts.
[X] The same fiscal capacity formulas used under the BEP are also used for TISA.
[Y] As of the 2024-25 school year, there are 47 city and special school districts in Tennessee following the addition of the Innovative School District, which is composed of teacher training schools operated by the University of Memphis.

Each school district's fiscal capacity is multiplied by the statewide local share for TISA's base funding component and weighted funding component. For both components, the statewide local share is 30 percent; the state covers the remaining 70 percent. The direct funding component and outcomes funding component of TISA are funded entirely by the state.

For example, the total funding generated under TISA for the base funding component in FY 2023-24 was $6.6 billion. Seventy percent of that amount ($4.6 billion) was funded by the state. The remaining 30 percent (almost $2 billion) was the statewide local share. Each school district's portion of the statewide local share was determined by its fiscal capacity. The required local match amount for the base funding component for a district with a fiscal capacity of 1 percent would have been almost $20 million (1 percent of approximately $2 billion).

Fiscal capacity also applies to the statewide local share amount for the weighted funding component of TISA. In FY 2023-24, the statewide local share amount for the weighted funding component was $507 million. To continue with the example, the required local match amount for the weighted funding component for a school district with a fiscal capacity of 1 percent would be approximately $5 million (1 percent of $507 million). Adding the two amounts (approximately $20 million for base funding and $5 million for weighted funding) produces the district's total required local match amount of approximately $25 million.[Z]

Many local governments contribute more funds toward K-12 education than necessary to meet their required local match. State law requires that local funding bodies (e.g., county commissions, city councils) must budget at least the same amount of local funding for schools as the previous year, excluding capital outlay and debt service, unless there is a decline in student enrollment. This requirement is known as maintenance of effort (MOE), and it is separate from TISA's required local match.[3] The MOE requirement applies to the prior year's level of local funding, regardless of how much it exceeds TISA's required local match. The MOE requirement prevents local governments from reducing local funding when they receive increased funding from the state.[AA]

The three phases of TISA: exploration and development, implementation, and administration

OREA identified three phases in the transition from BEP to TISA. As described in this report, the first phase (October 2021 through April 2022) focuses on exploration and development of a new funding formula and the legislative process leading to the passage of TISA. Stakeholder engagement opportunities, public feedback events, and the progression of TISA legislation through the Tennessee General Assembly are covered in the first phase. The second phase examines the period from May 2022 through June 2023, highlighting implementation measures taken by TDOE, SBE, and other stakeholders through the rulemaking process and district preparation efforts. The third phase – the administration phase – begins on July 1, 2023, the date all other components of TISA took effect. The administration phase covers the first school year under TISA and ongoing initiatives required by TISA, such as annual reporting requirements and the responsibilities of the TISA steering committee.

[Z] For more information on fiscal capacity, see OREA's 2023 report *Evaluation of the Fiscal Capacity Formula Applied to School District Funding Allocations*.
[AA] The MOE requirement for K-12 education was added to state law in 1987, so it predates TISA as well as the BEP.

Exhibit 12: The transition from BEP to TISA occurred in three phases

The Road to TISA

1992

The General Assembly adopted the **Basic Education Program (BEP)** in an effort to distribute funds fairly and equitably.

1995

A group of **small school districts** filed a lawsuit against the state challenging the omission of teacher salary increases and equalization from the BEP.

2002

Another district lawsuit resulted in the state Supreme Court ruling that the state must do more for **teacher pay equalization**. Governor Phil Bredesen later formed a task force on teacher pay in response to the lawsuit.

2007

The General Assembly passed **BEP 2.0**, which included several changes to the funding formula, including the adoption of the CBER (now Boyd Center) fiscal capacity model.

2014

Governor Bill Haslam announced the creation of a **task force** to review the BEP and determine whether the formula should be changed.

2015-2017

Hamilton County Schools led a multi-district coalition that filed **lawsuits** against the state, alleging inadequacies in the BEP. Additional districts, including Shelby County and Davidson County, joined lawsuits over the next few years.

2016

The General Assembly enacted the **BEP Enhancement Act of 2016**, which included additional funding for K-12 education, teacher salaries, and English learner education.

2020

In a report on K-12 public education spending, TACIR recommended a thorough **review** of the BEP funding formula components.

May-August 2021

State leaders began discussions to gauge support for **school finance reform**.

October 2021

TDOE established **18 subcommittees** based on specific issues. Each included a legislator and various stakeholders, including more than **200 people** across all subcommittees.

Governor Lee and then-TDOE commissioner Penny Schwinn announced a **90-day stakeholder review of the BEP** with the intent to create a **new, student-based funding formula**.

October 2021- March 2022

TDOE shared information about and gathered feedback on TISA by:
- conducting **district** and **regional stakeholder meetings**
- publishing resources, tools, & explanations about TISA, including a funding calculator
- posting agendas, minutes, and documents from each stakeholder meeting
- sharing all public comments received as well as an overview of the feedback

January 2022

- TDOE released its draft framework of the formula with descriptions of its core components.
- Governor Lee announced TISA would be strengthened by a **$1 billion** investment of new state funds should the formula become law.

February 2022

TDOE released a more detailed version of the funding formula with specific funding amounts and weights.

April 2022

The General Assembly passed TISA on the last day of the legislative session with some bipartisan support.

May 2, 2022

Governor Lee signed TISA into law.

Source: Office of Research and Education Accountability.

First phase: Exploration and development

Stakeholder engagement opportunities

Early in the first phase of TISA formulation, TDOE hosted public town halls, meetings, and stakeholder engagement opportunities concerning a possible new K-12 funding formula. Topics covered included how much to require in local matching funds and how to account for students' unique learning needs (ULNs).

Public town halls

TDOE hosted eight regional town hall meetings to gather public feedback on the proposed education funding formula. The public could attend the meetings in-person or via livestreaming. Various community organizations and stakeholders served as cohosts for each regional meeting, including the Tennessee PTA, United Way, TennesseeCAN, elected officials, leadership from local school districts, and others. Dates and regions for the eight town halls were as follows:[AB]

- October 27, 2021 – Mid-Cumberland region
- October 28, 2021 – Southwest region
- November 1, 2021 – South Central region
- November 2, 2021 – East region
- November 3, 2021 – First region
- November 4, 2021 – Southeast region
- November 22, 2021 – Northwest region
- November 30, 2021 – Upper Cumberland region

Local match meetings

State law requires local governments to provide a portion of the total funding generated by the state's K-12 funding formula. The amount of funding that is the responsibility of local governments is the local share, and each school district is responsible for funding a portion of the statewide local share. The amount required from each school district is known as the required local match, or the local contribution. A local match requirement was part of the state's previous K-12 funding formula, the BEP, and it remains in place under TISA.

TDOE consulted with various stakeholders about the required local match during the exploration and development phase of TISA's formulation. In December 2021, TDOE facilitated eight local match meetings for county commissioners, mayors, school board members, local elected officials, and district leaders to discuss local funding under a potential new K-12 funding formula. TDOE requested feedback from attendees on the state and local contribution calculation and gave attendees the opportunity to ask questions.

Subcommittee meetings

TDOE also formed 18 subcommittees for educators, parents, members of the business community, advocacy groups, community partners, and members of the Tennessee General Assembly, and others, to gather feedback on a particular topic or student group relative to a new funding formula.[AC] The 18 subcommittees were:

- Student engagement
- Students with disabilities and gifted students
- English learners
- Economically disadvantaged and highly mobile students
- Parent choice and voice
- Teacher advisory
- Principal advisory
- School system personnel
- School system leadership
- Rural and small districts
- Suburban districts, municipals, and fast-growing communities
- Urban districts
- Higher education and post-secondary readiness
- Post-secondary readiness and the business community
- Chambers of commerce and industry
- Education foundations
- Regional collectives and advocacy
- Fiscal responsibility

Each subcommittee had between 10 and 22 members and met (virtually) six times between November 2021 and January 2022. Recommendations and feedback from each subcommittee were submitted to the steering committee that worked to integrate recommendations into the proposed TISA legislation. OREA compiled the available policy recommendation forms submitted by the subcommittees. (Thirteen out of 18

[AB] See Appendix I for a map of the eight TDOE core regions.

[AC] Subcommittee chairs also served on the funding review subcommittee. See Appendix J for a list of members.

subcommittee recommendation forms were available for analysis.[AD]) OREA identified a number of common themes in the subcommittee recommendation forms, such as:

- tutoring services should be funded if the tutoring is required by law;
- outcomes funding should include goals related to literacy;
- the minimum teacher salary should increase, and retention bonuses should be offered to educators;
- transitional planning services should be offered to middle school students as they enter high school; and
- increased transparency should detail how funds were used for students at a granular level.

Some subcommittee recommendations were ultimately included in TISA, such as literacy-focused outcomes funding. Other recommendations, such as raising the minimum teacher salary, were implemented by the General Assembly in legislation separate from TISA.

Initial steering committee

The steering committee that worked to integrate the recommendations and feedback from the 18 subcommittees into the proposed TISA legislation met three times between December 2021 and February 2022. Members of the steering committee were Governor Bill Lee, Department of Education Commissioner Penny Schwinn, Department of Finance and Administration Commissioner Butch Eley, and nine members of the General Assembly.

The nine legislators serving on the steering committee were:

- Senate Majority Leader Jack Johnson
- House Majority Leader William Lamberth
- Senate Speaker Pro Tempore Ferrell Haile
- Senate Education Chairman Jon Lundberg
- House Education Administration Chairman Mark White
- House Education Instruction Chairlady Debra Moody
- House Education Administration K-12 Subcommittee Chairman Kirk Haston
- Senate Finance, Ways and Means Chairman Bo Watson
- House Finance, Ways and Means Chairlady Patsy Hazlewood

The steering committee considered recommendations and feedback from the subcommittees concerning matters such as the proposed definition of a sparse district, items that should receive direct funding, and the types of accountability reports that should be required in a new funding formula.

Second phase: Implementation

Once TISA was signed into law on May 2, 2022, the implementation phase began.

Rulemaking process

As directed by the TISA law, TDOE led the rulemaking process for the funding formula, drafting proposed rules for the State Board of Education (SBE) to consider. The TISA law required SBE to issue a positive, neutral, or negative recommendation for each rule proposed by TDOE. As part of the rulemaking process, TDOE submitted criteria to qualify for direct funding allocations, outcome bonus funding goals for districts, and proposed TISA-related rules to SBE.

[AD] Policy recommendation forms were not available from the following subcommittees: suburban districts, municipals, and fast-growing communities; school system personnel; principal advisory; post-secondary readiness and business; and school system leadership.

TDOE released its proposed TISA rules in June 2022 and accepted public comments through August 2022. During the SBE meeting on July 21, 2022, TDOE presented the draft rules to SBE members. On July 28, 2022, TDOE held a public rulemaking hearing. TDOE also received more than 800 written comments on the proposed rules from stakeholders at the state and local levels, including parents, educators, district administrators, state agency employees, representatives from advocacy groups, and others. Themes from comments concerned the data sources used to determine outcomes funding, definitions related to students with characteristics of dyslexia, and steps to determine funding for career and technical education (CTE) programs.

In August 2022, SBE held a special meeting to issue recommendations on the proposed TISA rules. In accordance with the TISA law, SBE was to issue a positive, neutral, or negative recommendation for each rule. All proposed rules were given an overall positive recommendation.

After TDOE completed the rulemaking process with the office of the Secretary of State and Joint Government Operations Committee, rules were approved for several components of TISA, including:

- definitions for student groups, such as students with characteristics of dyslexia and English learners, assigned to each weight, including criteria for the 10 categories of unique learning needs (See page 10 for more information about ULNs.)
- criteria for direct allocation funding, including steps to determine levels for career and technical education (CTE) programs
- outcomes funding
- data collection and reporting practices
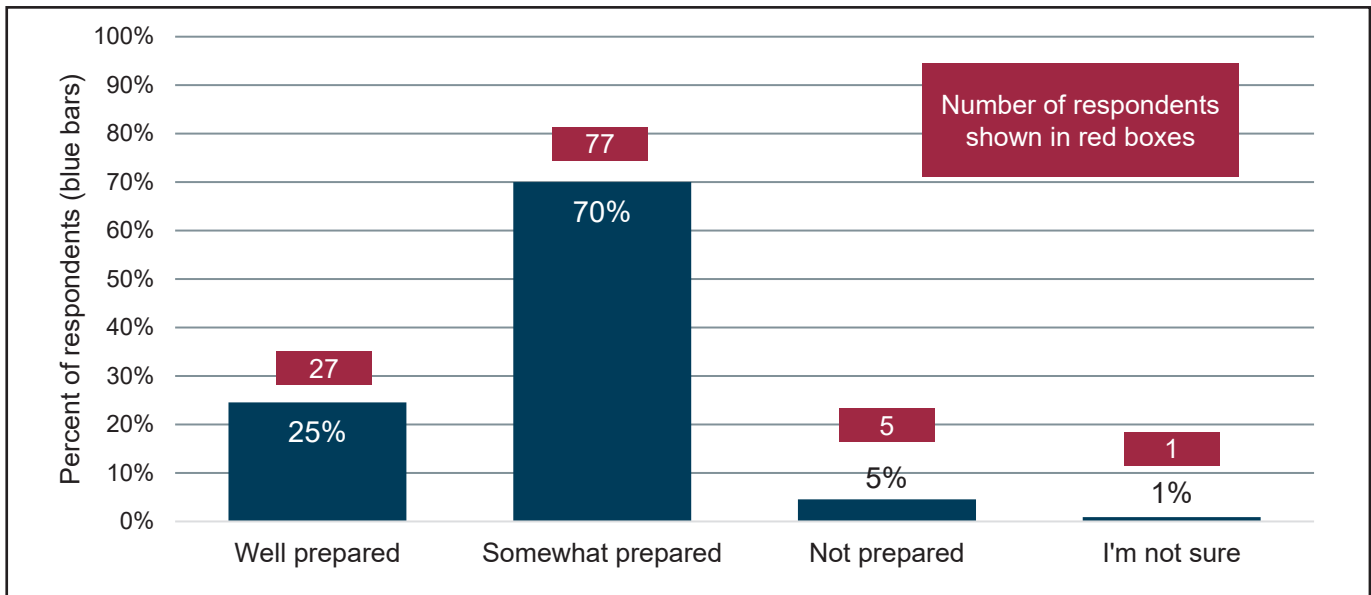- fund distribution schedule

District preparation

OREA's June 2024 survey asked districts to indicate how prepared they were for the implementation of TISA. Twenty-seven districts stated that staff in their districts were *well prepared* for the implementation of TISA. Nineteen of these 27 districts cited in-person training and assistance provided by TDOE as valuable supports in the shift to TISA. Though they considered themselves to be well prepared overall, these districts pointed to areas in which they could have been better prepared, such as budgeting for outcomes funding (16 respondents) and tracking student data (13 respondents).

Seventy-seven districts stated their staff were *somewhat prepared* for the implementation of TISA. Like the well-prepared districts, these respondents utilized multiple preparation supports, including TDOE's TISA guide, as they transitioned to TISA. In addition to TDOE resources, 53 respondents indicated they collaborated with other districts to prepare staff for the transition. As for areas in which they could have been better prepared, these respondents also cited tracking student data (46 respondents) and budgeting for outcomes funding (40 respondents).

Five districts indicated they were *not prepared* for the implementation of TISA. (Four of the five districts used the same training methods, including in-person and virtual training, as those that indicated they were better prepared for TISA.) As for areas in which they could have been better prepared, four cited tracking student data and three cited the operations of finance staff.

Exhibit 13: Most survey respondents indicated their district staff were somewhat prepared for the implementation of TISA (n=110)

Percent of respondents (blue bars)

Category	Percent
Well prepared	27 / 25%
Somewhat prepared	77 / 70%
Not prepared	5 / 5%
I'm not sure	1 / 1%

Number of respondents shown in red boxes

Note: Percentages will not add to 100 due to rounding.
Source: OREA survey.

District data from several K-12 education systems determines TISA funding

TDOE collects extensive data from districts for multiple purposes, such as district and school accountability and teacher evaluations. Data is also collected for funding purposes, and under TISA, a student-based funding formula, the link between student data and funding allocations is more direct than it has been in the past. To a great extent, the student data submitted by districts determines the amount of TISA funding received by each school district.

TDOE uses the Education Information System (EIS) as its core system of student-level data. Districts must verify the accuracy of all data submitted to EIS through their local student information systems (SIS) and TN PULSE, including data related to student enrollment, class schedule information, special education, English Learner status, and economically disadvantaged status. TDOE calculates the base funding, weighted funding, and most of the direct funding components of TISA based on each district's prior year ADM (average daily membership). ADM is calculated in all nine reporting periods during the school year, and student counts calculated from ADM determine each district's funding allocations for the applicable TISA components.

In the summer of 2023, TDOE transitioned to Tennessee Plans for Learning Success and Excellence (TN PULSE),[AE] a system of record for student learning plans, including individualized education programs (IEPs), Section 504 plans, individualized learning plans (ILPs) for English learners, and individualized learning plans for students with characteristics of dyslexia (ILP-Ds). Districts must enter student service plans in TN PULSE to generate TISA funding for students with disabilities, students with characteristics of dyslexia, English learners, and students with other unique learning needs. TN PULSE shares special education code data with EIS, and districts verify that the data reflects each student's unique learning needs based on their individual service plan. The special education code data correlates to TISA's unique learning need categories, which determine the ULN weighted funding each eligible student generates.

One theme that emerged from the OREA survey of district leaders is that personnel in over half of districts struggled to learn and implement TN PULSE while also adjusting to TISA's data requirements. In OREA's June 2024 TISA survey, districts were asked to rate the transition to TN PULSE as excellent, good, fair, or

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[AE] TN PULSE replaced EdPlan Easy IEP as the state system for student learning plans.

poor. Forty-four districts stated the transition to TN PULSE was poor, 40 rated the transition as fair, and 17 rated it good. No districts rated the transition as excellent. (Eight districts were unsure how the transition to TN PULSE had gone.) Fifty districts reported experiencing challenges with the transition to TN PULSE, which like TISA was implemented in the 2023-24 school year. Reported district challenges included ensuring the data in TN PULSE was accurate, lack of timely training from TDOE, and malfunctions within the platform, among others. Ten districts noted TN PULSE and/or their district's adjustment to the new platform has improved since then, while five indicated ongoing difficulties with the system.

TDOE professional development series

State law requires TDOE to develop and offer at no cost two professional development series on TISA: one for district and charter school personnel and another for directors of schools; members of school boards and charter school governing bodies; executive directors and members of the SBE, the Tennessee Public Charter School Commission (TPCSC); and finance staff of districts, charter schools, TDOE, SBE, and the TPCSC. The series for district, charter, and state leaders and finance staff must include an in-depth explanation of TISA and the TISA Guide as well as instruction on how to budget to increase student achievement, how to connect student achievement with investments in education, and how to hold decision makers accountable for funding decisions.[AF] The professional development series for district and charter school employees must be tailored to the professional duties of various types of employees and to include best practices for how employees can help maximize investments in education to increase student achievement. The law required this series to be made available by January 1, 2023, while the professional development series for district, charter, and state leaders is required to be provided upon request. During a TISA steering committee meeting on June 26, 2023, TDOE staff stated that TISA training modules would be released on June 30, 2023. TDOE reported at the TISA steering committee meeting on July 31, 2023, that the modules had been released and were available on the department website.

All professional development required by the TISA law may be provided virtually or in person at the discretion of TDOE. The law requires that all instructional materials be made publicly available on the TDOE website. As of December 2024, TDOE has a six-part professional development series available on the TISA page of its website, including videos, slide decks, and quick guides on each of the following topics:

- overview of TISA,
- local contribution,
- unique learning needs,
- outcomes funding,
- fast-growth funding, and
- support funding (i.e., safety net and BEP transition funding).

On the OREA survey, 59 respondents indicated participating in TDOE's professional development series on TISA. Of those districts, seven rated the series as excellent in helping their district's staff with TISA. Thirty-four rated the series as good, while seventeen rated it as fair, as shown in Exhibit 14.

[AF] State law requires that TDOE publish an annual TISA Guide outlining procedures for administering TISA. The TISA Guide must include, at a minimum, data submission requirements, the process by which a district can dispute an error in a funding allocation, and a list of districts that qualify as small or sparse. Additionally, the guide must state that the Comptroller shall not approve local budgets that fail to include the statutorily required local contribution.

Exhibit 14: Ratings of the TISA professional development series provided by TDOE (n=110)

Legend:
- Yes, my district has utilized the TDOE professional development series
- No, my district has not utilized the TDOE professional development series
- I'm not sure if my district has utilized the TDOE professional development series

Pie chart:
- 31% 34 districts
- 54% 59 districts
- 15% 17 districts

Bar chart (n = 59):
- Excellent: 7
- Good: 34
- Fair: 17
- I'm not sure: 1
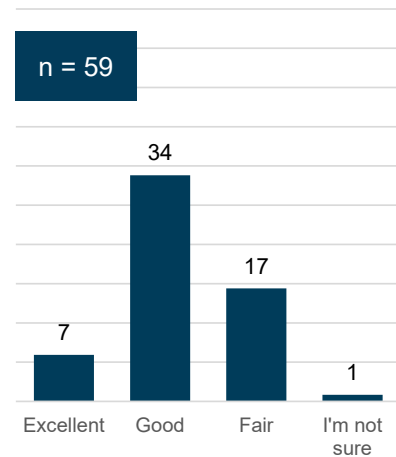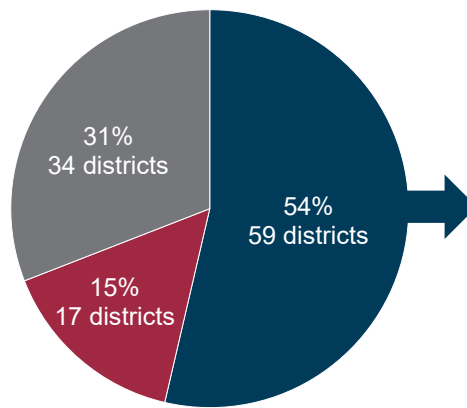
Source: OREA survey.

Of the 17 survey respondents that indicated their district had not participated in TDOE's professional development on TISA, seven stated their staff were unaware of it. Four indicated district staff participated in other TISA-related training, and two indicated their staff were well prepared and that additional TISA-related training was unnecessary.
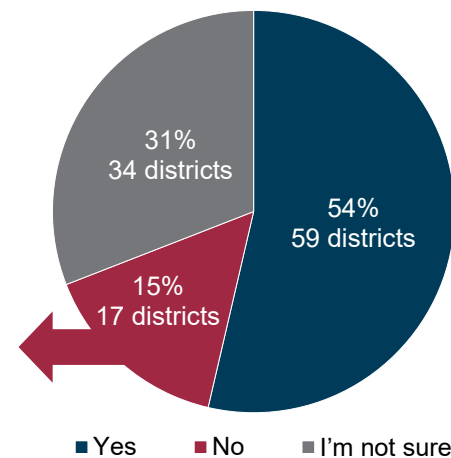
Exhibit 15: Seven respondents did not participate in TDOE's professional development series on TISA because they were unaware of it (n=110)

Reasons a district has not utilized the TDOE series	Number of districts	Percentage of districts
Staff were unaware of it	7	41%
Staff participated in other forms of training related to TISA	4	24%
Staff were well prepared and did not require additional training related to TISA	2	12%
Staff plan to participate in the series in the future	1	6%
Other/blank	3	18%

Pie chart:
- 31% 34 districts
- 54% 59 districts
- 15% 17 districts

Legend: Yes · No · I'm not sure

Note: Percentages will not add to 100 due to rounding.
Source: OREA survey.

Virtual office hours

In addition to these professional development series, TDOE hosted virtual office hours to assist districts with completing their statutorily required TISA accountability reports. (See page X for more information on accountability reports.)

Third phase: Administration

Steering committee for ongoing TISA feedback

A second TISA steering committee began meeting in May 2023 for ongoing public engagement related to TISA leading into the 2023-24 school year. This second steering committee represents parents, district and school personnel, elected officials, and community stakeholders. The steering committee is tasked with discussing TISA implementation resources, training needs and opportunities, public reporting about TISA and student achievement outcomes, and more. The committee met five times between May 2023 and August 2023. At the

August 2023 meeting, TDOE staff indicated that the steering committee would no longer meet on a regular basis, but asked committee members how they would like to continue to be involved. Some committee members expressed interest in continuing discussions on specific topics and emerging themes from TISA implementation. OREA could not find evidence that the steering committee reconvened after the August 2023 meeting.

See Appendix K for the steering committee membership.

TISA Guide

Beginning July 1, 2023, TDOE was to create and publish annually a TISA Guide outlining the department's procedures for administering TISA.

At a minimum, the TISA Guide must:

1. identify the data that TDOE must receive from each district for purposes of administering TISA;
2. explain how and when data must be submitted to the department;
3. explain how a district may dispute an alleged allocation error;
4. state that, pursuant to state law, the Comptroller shall not approve a local government budget that fails to include the local contribution; and
5. identify each district that qualifies as a sparse or small district.

As of December 2024, two TISA Guides have been issued under the law.

First TISA Guide release

TDOE released the first TISA Guide on July 1, 2023. The department invited all stakeholders to provide input on additional information that could be included in the guide. TDOE rule requires that an updated data submission calendar be included in each year's guide.

Second TISA Guide release

The second annual TISA Guide was released on July 1, 2024, and included a number of updates related to appropriation amounts and FY 2024-25 funding levels.

District TISA accountability reports

State law requires districts to produce annual accountability reports that address student achievement goals and how those goals may be attained through the district's budget plans. According to the law, TISA accountability reports must:

- Establish goals for student achievement in the current school year, including the goal of 70 percent of the district's 3rd grade students taking the ELA portion of the Tennessee Comprehensive Assessment Program (TCAP) tests achieving a performance rating of *on track* (i.e., *met expectations* designation on the TCAP) or *mastered* (i.e., *exceeded expectations* designation on the TCAP). Districts must also include a goal to close the gap between each district's current proficiency level for 3rd grade ELA and 70 percent proficiency; the goal must be to close the gap by at least 15 percent in three years, beginning with results from the 2022-23 TCAP. An explanation of how student achievement goals can be met through the district's budget must also be included.
- Describe how the district's budget and expenditures for prior school years enabled the district to make progress toward the student achievement goals established for the prior school years. This requirement did not apply to the accountability reports submitted for the 2023-24 school year because it was the first year of TISA implementation.

TDOE supplied districts with instructional materials and a template for creating accountability reports (see Appendix L for the template). The first district TISA accountability reports were due to TDOE by November 1, 2023, and subsequent reports are due by November 1 of each year.

District accountability reports must be presented to the public for comment before being submitted to TDOE. In addition to public comment and TDOE review, state law requires the TISA Progress Review Board to annually review districts' accountability reports to determine if a district is taking proper steps to achieve the goals in their reports.[AG]

TISA review committee

Some initiatives outlined in the TISA law that will support the ongoing administration of TISA have not yet begun. Beginning January 1, 2026, SBE is required to establish a TISA review committee. The TISA law details the required committee members, including department commissioners, legislators, and budget staff, as well as one member from each of the following groups: teachers, school boards, district directors, local government leaders, finance directors, and others. See Appendix M for more information on the committee membership requirements.

The TISA review committee must meet at least four times per year and regularly review major components of TISA, including base funding, weighted allocations, direct allocations, and outcomes funding. The TISA review committee is required to prepare an annual report on TISA by November 1 of each year. The report should include recommendations on needed revisions, additions, and deletions to TISA, as well as an analysis of instructional salary, benefits, and other compensation disparity among districts.

School district feedback on TISA implementation

Almost two-thirds of respondents to OREA's June 2024 survey indicated the transition from the BEP to TISA was *good* (58 districts) or *excellent* (16 districts). Several of these respondents noted the additional funding provided through TISA has been put to good use.

Thirty percent of respondents rated the transition as *fair* (28 districts) or *poor* (five districts). Some of these districts were critical of the pace at which TDOE distributed information about TISA, stating it was too slow. Districts also cited problems with coding students in data systems.

Exhibit 16: Most survey respondents stated that the transition from BEP to TISA has been good or excellent in their districts (n=110)
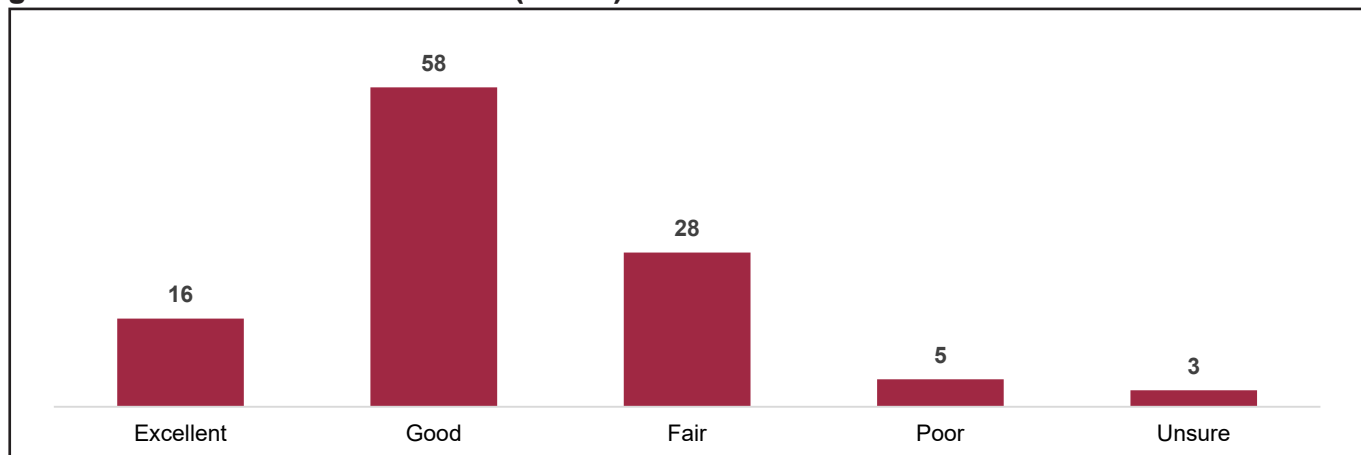
Source: OREA survey.

[AG] The progress review board consists of the Commissioner of Education, the Chair of the State Board of Education, two members appointed by the Speaker of the Senate, and two members appointed by the Speaker of the House.

The OREA survey also asked districts to share whether they have experienced issues related to TISA implementation. Eighty-six districts cited *some* or *many* issues at the beginning of the 2022-23 school year when TISA-related data requirements first went into effect.[AH] Fifty-four districts stated that they had experienced *some* or *many* issues related to the implementation of TISA funding distributions at the beginning of the 2023-24 school year.

Fifty-two districts stated they were no longer experiencing issues at the time of OREA's June 2024 survey. These districts credited additional funding, improved staff preparation for data reporting, and increased familiarity with requirements as the reasons they were no longer experiencing issues.

Fifty districts stated they were still encountering *some* or *many* issues at the time of OREA's June 2024 survey, however. These districts cited inaccurate data reporting, functionality issues with some platforms, and changes related to student group codes as continuing challenges.

Districts will continue to have opportunities to comment on TISA and its implementation. The TISA law requires that TDOE provide districts with an opportunity to share feedback and recommendations regarding the funding formula by November 1 of each year, beginning November 1, 2024. TDOE must share the feedback with the Comptroller's Office.

Districts' operations and TISA

The OREA survey asked how the implementation of TISA has affected district operations in three areas: budget planning, flexibility in how funds can be used, and data collection practices.

Sixty-one districts (55 percent of respondents) indicated the implementation of TISA has had a *positive* or *significantly positive* effect on their district's budget planning. These districts cited increased funding under TISA as compared to the BEP, accurate allocation estimates throughout the year, and access to TDOE's TISA calculator as reasons for the positive effect. Another 25 districts stated TISA has had *no effect* on their district operations related to budget planning. Twenty-four districts indicated TISA had a *negative* effect.

Fifty-one respondents indicated that the implementation of TISA has had a *positive* or *significantly positive* effect in terms of the flexible use of funds. Fifty-four respondents indicated TISA has had *no effect* in that area. Some of these districts considered the degree of flexibility in how funds can be used to be the same under TISA as under the BEP. Five respondents indicated TISA has had a *negative* effect in terms of the flexibility in how funds can be used. Two of these respondents described difficulty with meeting teacher salary expectations (i.e., the updated minimum teacher salary schedule) as required in the 2023 state law.

As for data collection practices under TISA, 40 districts indicated TISA has had *no effect* on such practices. There was an even split between districts that indicated an effect, with 35 reporting a *negative* or *significantly negative* effect and 35 a *positive* or *significantly positive* effect. Some of the districts that reported a *negative* or *significantly negative* effect cited challenging data collection requirements for staff and issues with data platforms, such as problems with staff's ability to input student data.

Effects of TISA on the workload of district and school staff

The implementation of the TISA funding formula brought about changes (either directly or indirectly) not only in how districts are funded by the state but in how funds are generated, data is collected, and schools are staffed. In some cases, these changes affected the workload of certain staff members at the district and school levels, including staff who work with students with unique learning needs (ULNs), classroom teachers, financial staff, and more.

[AH] Data reported during 2022-23 was used to calculate TISA allocations for the 2023-24 school year.

Staff who work with student data at the district level were the most likely to see a significant increase in their workload due to the implementation of TISA based on responses to OREA's June 2024 survey. District and school staff who work with students with ULNs were the second most likely group to see a significant increase. No respondents indicated any position experienced a *decreased* or *significantly decreased* workload due to the implementation of TISA.

Exhibit 17: Staff who work with student data at the district level were the most likely to see a significant increase in their workload due to the implementation of TISA (n=110)

	Significantly increased		Increased		No change	
Staff who work with students with unique learning needs (e.g., English learners, students with characteristics of dyslexia, etc.) at the *district* level	24.77%	27	49.54%	54	19.27%	21
Staff who work with student data at the district level	29.36%	32	50.46%	55	16.51%	18
District-level financial staff	10.19%	11	49.07%	53	37.96%	41
Other district-level staff	8.49%	9	33.02%	35	50.94%	54
Staff who work with students with unique learning needs (e.g., English learners, students with characteristics of dyslexia, etc.) at the *school* level	24.77%	27	44.95%	49	23.85%	26
Staff who work with student data at the school level	14.81%	16	50.00%	54	28.70%	31
Classroom teachers	0.93%	1	19.44%	21	75.93%	82
Principals/assistant principals	2.78%	3	35.19%	38	55.56%	60
School counselors	2.80%	3	18.69%	20	70.09%	75
Psychologists	2.80%	3	20.56%	22	67.29%	72
Nurses	1.90%	2	8.57%	9	80.95%	85
Other school-level staff	2.88%	3	12.50%	13	75.00%	78

Note: Respondents who indicated they were unsure of staff changes with workload were not included in this table, so each row will not equal the number of respondents (110).
Source: OREA survey.

Communication with TDOE leading up to and during TISA implementation

OREA's June 2024 survey asked respondents to rate TDOE's communications regarding their district's *estimated* TISA allocations, their *actual* TISA allocations, and expectations for districts (e.g., data requirements.) The survey also asked respondents to rate TDOE's communications relative to available informational resources about TISA and the department's responsiveness to TISA-related questions.

Ninety-five districts rated TDOE's communications about their district's *estimated* 2023-24 TISA allocations as *excellent* or *good*. Regarding communication related to *actual* allocations, 91 districts gave TDOE a rating of *excellent* or *good*.

Sixty-eight districts rated TDOE's communications regarding expectations (e.g., data requirements) for districts as *excellent* or *good*, while 42 rated them as *fair* or *poor*.

Regarding TDOE's communications relative to informational resources about TISA, 86 districts gave a rating of *excellent* or *good*, 23 rated them as *fair*, and one rated them as *poor*.

Most districts (82 respondents) rated TDOE's responsiveness to TISA-related questions as *excellent* or *good*. Another 27 districts gave a rating of *fair*, and one rated TDOE's responsiveness as *poor*.

Other appropriations in TISA

Fast-growth funding

The TISA law includes provisions for fast-growth funding, which provides additional funding to districts with fast-growing student populations. Fast-growth funding is funded solely by the state; there is no local match requirement. For fiscal years 2023-24 and 2024-25, the General Assembly appropriated $35 million for fast-growth funding. In FY 2023-24, all $35 million was distributed.

There are two categories of fast-growth funding: fast-growth stipends and infrastructure stipends. Districts may receive a fast-growth stipend, infrastructure stipend, or both, if qualifications are met. Districts would only receive infrastructure stipends if funding is available after fast-growth stipends have been distributed.

Fast-growth stipends

Districts are eligible for a fast-growth stipend if their total TISA allocation (as generated by student enrollment in non-virtual schools) increases by more than 1.25 percent in the current school year compared to the previous year. The fast-growth stipend amount is equal to the state portion of increases in TISA allocations in excess of 1.25 percent. Fast-growth stipends are calculated within each academic year and are non-recurring.

Forty-four districts received fast-growth stipends in 2023-24. Amounts ranged from $2,667 for Memphis-Shelby County Schools to approximately $6.8 million for Rutherford County Schools.[AI]

Infrastructure stipends

Districts may also qualify for an infrastructure stipend, if funding is available. To qualify, a district's student enrollment growth in non-virtual schools must exceed 2 percent each year for three consecutive school years. Infrastructure stipends are provided only if funding remains after all fast-growth stipends have been paid. In 2023-24, no infrastructure stipends were distributed because all of the $35 million allocated for fast-growth funding was distributed to districts as fast-growth stipends.

Support funds

TISA includes support funding for districts with declining enrollment or that see a decrease in funding during the transition to TISA from the BEP.

BEP transition funding

For 2023-24, the first year of TISA implementation, BEP transition funding ensured that no district received less funding under TISA than that received under the BEP in 2022-23.[AJ] Districts must have qualified for BEP transition funding for 2023-24 to be eligible in future years, and eligibility cannot be regained once a district ceases to qualify.

BEP transition funding will gradually decrease each year until the 2027-28 school year, when it will no longer be provided.

[AI] Fast-growth funding allocations to school districts for FY 2023-24 are shown in Appendix N.
[AJ] The total amount of state and local funding received by a district through the BEP in 2022-23 constitutes the district's baseline funding amount.

Exhibit 18: BEP transition funding timeline

Funding step for districts	School year (fiscal year)	BEP transition allocations – all	BEP transition – state	BEP transition – local
Held harmless 100% back to baseline compared to FY24 TISA allocation	2023-24 (FY 2024)	Match baseline total	Match baseline state	Match baseline local
Held harmless 75% back to baseline compared to FY25 TISA allocation	2024-25 (FY 2025)	(Baseline total **–** projected FY25 all) **x** 75% **+** projected FY25 all	(Baseline state **–** projected FY25 state) **x** 75% **+** projected FY25 state	FY25 BEP transition allocation all **–** FY25 BEP transition allocation state
Held harmless 50% back to baseline compared to FY26 TISA allocation	2025-26 (FY 2026)	(Baseline total **–** projected FY26 all) **x** 50% **+** projected FY26 all	(Baseline state **–** projected FY26 state) **x** 50% **+** projected FY26 state	FY26 BEP transition allocation all **–** FY26 BEP transition allocation state
Held harmless 25% back to baseline compared to FY27 TISA allocation	2026-27 (FY 2027)	(Baseline total **–** projected FY27 all) **x** 25% **+** projected FY27 all	(Baseline state **–** projected FY27 state) **x** 25% **+** projected FY27 state	FY27 BEP transition allocation all **–** FY27 BEP transition allocation state
Receives FY28 TISA allocation	2027-28 (FY 2028)	FY28 TISA all	FY28 TISA state	FY28 TISA local

Note: The total amount of state and local funding received by a district through the BEP in 2022-23 constitutes the district's baseline funding amount.
Source: Tennessee Department of Education.

In 2023-24, nine school districts qualified for BEP transition funding based on initial estimates (calculations done by TDOE before the school year to determine eligibility), declining enrollment, or appeals. Seven qualifying districts received state funding, as shown in Exhibit 19. Two districts, Fayetteville City and Moore County, qualified for BEP transition funds, but their funding came solely from an increase of required local match contributions. For FY 2023-24, no additional state dollars were allocated for BEP transition funding for those two districts.

Out of the $13 million in state funds appropriated for this purpose, over $10.7 million was disbursed and combined with over $3.8 million in required local match funds to further support those nine districts.

Exhibit 19: Disbursement of additional state funds for BEP transition | FY 2023-24

School district	Amount
Alamo City	$ 50,145.27
Bells City	$ 28,598.30
Carroll County	$ 2,157,497.18
Fayette County	$ 643,576.26
Franklin SSD	$ 2,000,091.53
Richard City	$ 384,761.09
Robertson County	$ 5,466,906.16
Total	**$ 10,731,575.79**

Source: Tennessee Department of Education.

5 percent safety net

Starting with the 2024-25 school year, districts are eligible for a 5 percent safety net provision so that no district's total TISA allocations decrease by more than 5 percent from one year to the next. Eligibility is determined by comparing final TISA allocations for the current year (including base funding, weighted funding, and direct funding, but not including outcomes funding) with the final allocations of the prior year.

Districts with a decrease of more than 5 percent receive additional state funding to raise their final TISA allocation to 95 percent of the prior year's TISA allocation. Significant decreases in student population or shifts in student data from year to year (e.g., fewer students qualifying for special education services) impact a district's TISA allocation, and safety net funding allows districts to gradually transition to their adjusted allocation. Districts receiving BEP transition funding are not eligible for the 5 percent safety net funding.

No districts qualified for the 5 percent safety net provision for the 2023-24 school year, therefore no money was spent for this purpose.

Additional grants in TISA

The General Assembly may make additional appropriations to fund TISA-related grants that offer additional support for districts. These additional grants are subject to annual appropriations from the General Assembly, so grants may be funded at a specific level or not funded at all.

Distressed and at-risk counties grant

Grants are available to districts located in counties designated as distressed or at risk if the district's fiscal capacity and local contribution increase their maintenance of effort requirements. (See page 14 for more about maintenance of effort.)[AK] In fiscal years 2023-24 and 2024-25, the General Assembly appropriated $14.5 million for districts in distressed or at-risk counties that experience an increase in maintenance of effort obligations. In FY 2023-24, $0 was distributed because no districts qualified for the grant.

Active tourism development zone

State law authorizes additional funding for school districts located in counties with populations of not less than 98,300 or more than 98,400 (as of the 2020 federal census) with an active tourism development zone agreement executed before July 1, 2023.[4] This authority and funding also existed prior to the transition to TISA. In 2023-24, the TISA budget included $1,840,000 for active tourism development zones, all of which was distributed to Sevier County, the only qualifying district.

Cost differential factor grant

Districts located in a county in which the cost of living is greater than the statewide average are eligible for a cost differential factor (CDF) grant. To determine a county's eligibility, the Boyd Center for Business and Economic Research at the University of Tennessee calculates the ratio between county and statewide non-governmental wages, known as the CDF ratio. Counties with a ratio of more than one are eligible for a CDF grant. The General Assembly did not appropriate funding for CDF grants in FY 2023-24 or FY 2024-25.

Salary equity supplements

The annual general appropriations act includes a provision that authorizes TISA funds for the purpose of addressing teacher compensation disparity, to the extent that funds are available. The allocation of these payments, known as salary equity supplements, also existed under the BEP. In FY 2023-24, the General Assembly appropriated $14.5 million for teacher compensation disparity (i.e., salary equity), which was fully distributed.

[AK] The commissioner of the Department of Economic and Community Development (ECD) designates counties as distressed or at risk, which determines eligibility for the grants. In FY 2023-24, eight counties were designated as distressed and 27 as at risk. In FY 2024-25, nine counties were designated as distressed and 31 as at risk.

Flow of TISA funds to local school districts

TDOE distributes the majority of TISA funding to districts in 10 installments each fiscal year. Each installment constitutes approximately 10 percent of a district's total annual TISA funding. In FY 2023-24, Tennessee's school districts received state funding distributions in six categories totaling over $6.32 billion, as shown in Exhibit 20.

Exhibit 20: State funding by TISA category | FY 2023-24

Category	Amount
TISA formula: base, weights and direct	$ 6,174,903,337.77
Outcomes	$ 87,784,676.00
Fast-growth stipends	$ 35,000,000.00
Transition hold harmless	$ 10,731,575.79
Sevier County tourism zone	$ 1,840,000.00
Salary equity supplements	$ 14,500,000.00
Total	**$ 6,324,759,589.57**

Notes: (1) The $87.5 million restricted for existing teacher salary increases (per *TCA* 49-3-105(e) and PC 418 (2023) Section 11, Item 1(b)(1)) is included in the TISA formula: base, weights, and direct amount. (2) This exhibit excludes $41,521,040.26 of local money from the geographic school district disbursed by TDOE to the PCSC for charter school students, $21,759,337.04 of local money from the geographic school district disbursed by TDOE to the ASD for ASD students, and $21,799,664.91 disbursed from the TISA budget for Tennessee's IEA/ESA programs.
Source: Tennessee Department of Education.

Over $6.25 billion of the total TISA funds was disbursed to Tennessee's 141 locally administered school districts in FY 2023-24. Over $32 million was disbursed to the Achievement School District and over $26 million was disbursed to the Tennessee Public Charter School Commission. The Department of Children's Services received $13.5 million.

Exhibit 21: Distribution of state TISA funding | FY 2023-24

Recipient	Amount
Locally administered school districts	$ 6,252,553,384.09
Achievement School District (ASD)	$ 32,397,197.04
Public Charter School Commission	$ 26,296,487.20
Department of Children's Services	$ 13,512,521.24
Total	**$ 6,324,759,589.57**

Note: This exhibit excludes $41,521,040.26 of local money from the geographic school district disbursed by TDOE to the PCSC for charter school students, $21,759,337.04 of local money from the geographic school district disbursed by TDOE to the ASD for ASD students, and $21,799,664.91 disbursed from the TISA budget for Tennessee's IEA/ESA programs.
Source: Tennessee Department of Education.

The TISA start date of July 1, 2023, coincided with an increase in state funding in the TISA budget of almost $1.16 billion. As a result, all of Tennessee's locally administered school districts received more money in FY 2023-24 than they received in FY 2022-23 under the BEP.

The percentage increase in state funding varied by district. As shown in Exhibit 22, Madison County had the largest percentage increase in state funding (over 38 percent) between FY 2022-23 and 2023-24. Four other districts – Hamilton County, Bristol City Schools, Union City Schools, and McMinn County – also experienced increases of over 30 percent in the first year of TISA compared to the previous year. See Appendix O for a list of locally administered school districts and their percentage increase in funds in FY 2023-24 (TISA) compared to FY 2022-23 (BEP).

Exhibit 22: Top five school districts with the largest percentage increase in state funding | FY 2023-24 compared to FY 2022-23

School District	Percentage increase in state funding from prior year	Increase in state funding from prior year
Madison County	38.56%	$ 21,261,569.49
Hamilton County	33.98%	$ 64,697,679.79
Bristol City	31.05%	$ 5,768,170.06
McMinn County	30.40%	$ 8,395,352.15
Union City	30.17%	$ 2,570,837.58

Source: OREA analysis of data provided by the Tennessee Department of Education.

The five districts with the lowest percentage increase in state funding are shown in Exhibit 23.

Exhibit 23: Five school districts with the lowest percentage increase in state funding | FY 2023-24 compared to FY 2022-23

School District	Percent change in state funding from prior year	Change in state funding from prior year
Carroll County	-0.01%	$ -173.13
Richard City SSD	0.52%	$ 8,222.53
Fayette County	0.73%	$ 128,334.56
Robertson County	0.80%	$ 696,864.89
Fayetteville City	1.03%	$ 80,626.72

Note: The Carroll County School District does not operate a typical full-service district; it provides transportation, vocational education, and special education services to the five special school districts within Carroll County. Additionally, the FY 2023-24 TISA disbursements used to generate funding comparisons do not include payments TDOE made on behalf of districts for ACT funding. For example, TDOE paid $196.20 for ACT test administrations in Carroll County, which offset the negative balance.
Source: OREA analysis of data provided by the Tennessee Department of Education.

Status of TISA requirements

TISA includes requirements and deadlines to ensure the act's implementation and ongoing monitoring. In Exhibit 24, the requirements and corresponding deadlines are itemized, along with their completion status and evidence of completion.

Exhibit 24: As of December 2024, some TISA requirements with specific deadlines have been completed, but more are ongoing with future deadlines

Statutory requirement	Status	Evidence of completion
January 1, 2023 TDOE must provide and publish a free professional development series for district and state leaders, finance staff, and district and charter school employees that explains TISA, the TISA guide, budgeting to increase student achievement, connecting achievement with investments, and more. TDOE must provide and publish a free professional development series tailored to professional duties of various employees.	Partially complete	TISA Professional Development modules, released June 30, 2023, on TDOE's website related to the components of TISA. TISA law requires professional development to be offered for two audiences and purposes. The published modules meet only some of the requirements in statute. TISA law also requires that all materials used for professional development be available publicly on TDOE's website. Not all materials have been published.
July 1, 2023 TDOE must publish a TISA guide.	Complete	*TISA Guide 2023-24*, released July 1, 2023, on TDOE's website.

Statutory requirement	Status	Evidence of completion
July 1, 2023 The TISA Progress Review Board sets performance goals for districts and annually reviews all district accountability reports; may take further action if progress toward performance goals not met after three years.	Partially complete	The board has not yet met, although TDOE stated that information to meet the statutory requirements has only recently been collected. According to TDOE, the board has not met because reports detailing progress toward goals and budget alignment were not available from districts until 2024-25 (the first district accountability reports were due November 1, 2023, for the 2023-24 school year). TISA law requires annual review, and the board has not yet convened.
November 1, 2023 Districts must submit accountability reports to TDOE.	Complete	TDOE received 141 out of 142 district accountability reports and worked with the missing district to fulfill the requirement.
July 1, 2024 TDOE must publish a TISA guide.	Complete	*TISA Guide 2024-25*, released July 1, 2024, on TDOE's website.
November 1, 2024 Each district must have the opportunity to provide recommendations and feedback about TISA.	Complete	TDOE's *2024 TISA Survey*, linked weekly in the Commissioner's Update for Directors from September 26 through October 24.
November 1, 2024 Districts must submit accountability reports to TDOE, including a description of how funds were used to make progress toward goals.	Complete	TDOE received 142 out of 143 district accountability reports and worked with the missing district to fulfill the requirement.
December 31, 2024 The Comptroller's Office must review TISA and report conclusions and recommendations to the speakers and education committees.	Complete	Review conclusions sent to education committees on December 30, 2024. *Tennessee Investment in Student Achievement: First-year implementation*, OREA, February 2025.
January 15, 2025, and annually TDOE must deliver a TISA report to the General Assembly and publish the report on its website.	Ongoing	
July 1, 2025, and annually TDOE must publish a TISA guide.	Ongoing	
November 1, 2025, and annually Each district must have the opportunity to provide recommendations and feedback about TISA.	Ongoing	
November 1, 2025, and annually Districts must submit accountability reports to TDOE, including a description of how funds were used to make progress toward goals.	Ongoing	
January 1, 2026 SBE must establish a TISA review committee that meets four times annually.	Ongoing	
November 1, 2026, and annually SBE's TISA review committee must provide a report on TISA to the governor, the SBE, and the finance and education committees of the Senate and House.	Ongoing	
Annually TDOE commissioner shall convene an Outcomes Committee to advise regarding outcomes bonuses and goals.	Partially complete	According to TDOE, the Outcomes Review Committee met five times in 2022. The committee did not meet in 2023 or 2024 and therefore did not meet the statutory requirement to annually meet to discuss outcomes bonuses and goals.

Source: OREA.

Conclusions

All locally administered school districts received more state money in the first year of TISA than in the last year of the BEP.[AL]

In the first year of TISA, the General Assembly invested an additional $1.16 billion in K-12 education. This funding increase equated to a 21.6 percent budget increase for K-12 education, significantly higher than the annual increases of the previous 12 years. The substantial investment of additional funding coupled with TISA's design resulted in increased funding for all locally administered school districts in TISA's first year.

The percentage increase in state funding varied by district. Madison County saw the largest percentage increase in state funding (over 38 percent). Four other districts – Hamilton County, Bristol City Schools, Union City Schools, and McMinn County – saw increases of over 30 percent in TISA's first year.

See Appendix O for a full list of percentage changes by district.

School district leaders are generally complimentary of the transition from the BEP to TISA.

According to OREA's June 2024 survey, most district directors and leaders express that, overall, the transition from the BEP to TISA has been positive. Seventy-four survey respondents stated that the transition in their district has either been *good* or *excellent*, while 33 respondents indicated that the transition has been *fair* or *poor*.

Similarly, 61 district leaders (over 55 percent of survey respondents) found the implementation of TISA has had a *positive* effect on their district's budget planning process, with eight of those district leaders saying it had a *significant positive* effect and 53 rating it as having a *positive* effect. These respondents cited improvements such as accurate funding estimates and increased funding as elements of TISA that have aided their budget planning process.

A majority of respondents to OREA's June 2024 survey indicated TDOE's TISA-related communication efforts were effective. Eighty-six respondents (nearly 80 percent) indicated that communication regarding available informational resources about TISA was *good* or *excellent*. Additionally, 82 districts stated that TDOE's response to TISA-related questions has either been *good* or *excellent*, while 28 districts rated the communications as *fair* or *poor*. When asked about expectations for districts (e.g., data requirements), 11 districts indicated that TDOE communication was *excellent*, and 57 indicated it was *good*. Forty-two districts rated the communications related to district expectations as *fair* or *poor*.

Over half of districts (59 respondents) indicated they used the TDOE professional development series on TISA, and 41 of those districts stated the series did a *good* or *excellent* job in helping their staff's understanding of TISA. Seventeen districts gave the professional development series a rating of *fair*.

Positive survey responses may be the result of TDOE's work facilitating multiple stakeholder engagement opportunities, including public town halls, steering committee meetings, local match meetings, and subcommittee meetings organized around specific topics or student groups. In addition, TDOE and SBE engaged in the rulemaking process with multiple opportunities for public involvement prior to July 1, 2023.

[AL] One locally administered school district, Carroll County, received $173.13 less in FY 2023-24 compared to FY 2022-23. The Carroll County School District does not operate a typical full-service district; it provides transportation, vocational education, and special education services to the five special school districts within Carroll County. Additionally, the FY 2023-24 TISA disbursements used to generate funding comparisons do not include payments TDOE made on behalf of districts for ACT funding. For example, TDOE paid $196.20 for ACT test administrations in Carroll County, which offset the negative balance.

School district leaders identified some shortcomings in the first year of TISA implementation.

While districts' assessments of TISA implementation were generally positive, challenges were also identified. Out of the 110 districts that responded to the OREA survey, four shared that their district had experienced *many* TISA-related issues when the formula was first implemented in the 2023-24 school year, and 50 districts reported experiencing *some* issues. These 54 districts cited issues with data tracking (including the new TN PULSE data collection system) and a general lack of clarity or information. (See page 20 for more about TN PULSE.)

Fifty of 110 survey respondents stated that their districts were still experiencing *some* or *many* TISA-related issues as of June 2024. These districts mentioned continued struggles with data tracking and TN PULSE. On the OREA survey, 32 percent of districts (35 of 110 respondents) indicated that the implementation of TISA has had a *negative* effect on data collection practices in their districts, identical to the number who rated TISA as having a *positive* effect on their data collection practices. These respondents referenced increased data requirements leading to increased workloads for district staff and problems with ensuring student codes are correct to generate funding.

On the OREA survey, district leaders were asked in what areas district staff could have been better prepared for the implementation of TISA. Sixty-three respondents indicated they could have been better prepared for tracking student data, and 59 wanted more information on how to budget for outcomes funding.

Districts also shared their experiences with TISA's data requirements and increases in workload as a result. Under TISA, student data is more directly tied to the amount of funding a district receives than it was under the BEP. Tracking the detailed student data used for funding allocations takes time and effort to ensure accuracy and completeness. The most likely staff to see a significant increase in their workload due to the implementation of TISA were those who work with student data at the district level, according to OREA's June 2024 survey. Eighty-seven respondents reported that such district staff experienced an increased workload; 32 indicated a *significantly increased* workload, and 55 indicated an *increased* workload.

The second most likely staff to see an increased workload were district and school staff who work with students with unique learning needs (ULNs).

TISA's impact on student outcomes can be measured in the coming years using metrics and accountability requirements included in the TISA funding formula.

As of the publication of this report, the TISA formula will have been in effect for one full school year (2023-24) and part of a second year (2024-25). This report focuses on TISA implementation given the relative newness of the funding formula. Evaluating the formula's effects on districts' spending decisions and the resulting impact on student achievement will require more years of data.

The TISA formula includes multiple student outcomes-related measures, such as student performance on the ELA section of the TCAP in 3rd grade, student performance on the ELA and math sections of the TCAP in middle school, and ACT composite scores in high school. It also includes several funding items aimed at college and career readiness, and future outcomes data for students participating in career and technical education (CTE) programs will reveal the effectiveness of that dedicated funding. The funding for CTE was designed to be based on the program level (1, 2, or 3) and a student's progress through the program (year 1, 2, 3, or 4). During the first two years of TISA, the General Assembly set direct funding for all CTE students – regardless of program level and student progress – at $5,000 per student.

Policymakers may wish to identify additional metrics to gauge the impact of TISA on student outcomes.

In addition, state law requires districts to produce annual accountability reports that address student achievement goals and how those goals may be attained through districts' budget plans. Districts must establish goals for student achievement, including the goal of 70 percent of 3rd graders achieving a performance rating of *met expectations* or *exceeded expectations* on the ELA portion of the TCAP. Districts must also link expenditures in prior school years with progress toward student achievement goals. The first accountability reports from districts were due November 1, 2023, and subsequent updates are due by November 1 each year. Beginning with the 2024-25 school year, these reports are to include a description of how the district's budget and expenditures from the prior school year enable the district to make progress toward its student achievement goals. State law requires the TISA Progress Review Board to review districts' accountability reports and determine if the district is taking the proper steps to achieve the goals set out in their reports.

TDOE's annual TISA report, which is due by January 15 of each year starting in 2025, also includes accountability metrics for each district. According to the TISA law, TDOE is required to include in the report:

- an academic analysis of each district;
- accountability report cards for each district;
- an executive summary of the feedback and recommendations provided by districts during TDOE's annual feedback opportunity; and
- reviews of TISA by relevant experts, including a cost review and recommendations.

TDOE has met most requirements in statute and rule for the implementation of TISA, but three requirements are either partially incomplete or have not been met.

Both TISA law and promulgated rules detail requirements for the implementation of TISA. As of December 2024, TDOE has met most requirements, but three requirements remain incomplete or unmet, including requirements related to professional development, Outcomes Review Committee meetings, and the TISA Progress Review Board.

The TISA law[5] requires TDOE to create or procure a professional development series that meets specific requirements for two distinct audiences:

- First, a professional development series must be made available to directors of schools; members of school boards and charter school governing bodies; executive directors and members of the SBE and the Tennessee Public Charter School Commission (TPCSC); and finance staff of districts, charter schools, TDOE, SBE, and the TPCSC that explains TISA, the TISA guide, budgeting to increase student achievement, connecting achievement with investments, and more.
- Next, a professional development series must be made available to district and charter employees that is tailored to the professional duties of various employees and that includes an overview of TISA and best practices for maximizing budget investments to increase student achievement.

TISA statute requires TDOE to publish instructional materials used for professional development on its website.

According to TDOE, the department has met the requirements of the professional development series through one-on-one technical assistance with district staff, presentations at conferences, and virtual office hours. In accordance with the TISA law, materials intended to meet the statutory requirement for professional development should be made publicly available on TDOE's website. TDOE shared that their long-term goal

is to highlight similar districts' goals, strategies, and reflections so local leaders can build investment strategies informed by other districts. As of December 2024, TDOE has published one professional development series on its website describing the components of the TISA formula, which does not fully meet the statutory requirements.

TISA law also requires TDOE to convene an Outcomes Review Committee comprised of specified members (e.g., one teacher, one parent, state and local leaders, etc.) to advise the commissioner regarding outcome funding and goals,[6] and TISA rule requires the committee to meet annually.[7] According to TDOE, the committee met five times in 2022. However, no committee meetings took place in 2023 or 2024. TDOE stated that the Outcomes Review Committee will meet in 2025 to review outcomes bonus payments, reflect on findings from TDOE's TISA survey, and maintain consistent outcomes targets that allow districts to work toward the same goals for several years. As of December 2024, TDOE has not met the requirements of the rule to annually convene the Outcomes Review Committee.

Finally, TISA statute created the TISA Progress Review Board to annually review district accountability reports.[8] Districts are required to submit their accountability reports by November 1 annually. In the first district accountability reports, due November 1, 2023, districts were required to establish goals for student achievement related to literacy. Beginning with the November 2024 accountability reports, districts are required to describe how the district's budget and expenditures enabled the district to make progress toward the goals established in the November 2023 reports. As of December 2024, the Progress Review Board has not met to review district accountability reports. TDOE stated that the Progress Review Board did not need to meet until after the district accountability report submission deadline on November 1, 2024, which required districts to describe their progress toward the goals established in the 2023 accountability reports. Additionally, TDOE noted that at least one legislative appointment is vacant.

Recommendations

TDOE should revise the professional development series to meet criteria set forth in law, including requirements to provide professional development on specific topics and tailored for various roles. Additionally, in accordance with TISA law, TDOE should make all professional development materials publicly available on its website.

The commissioner of TDOE should annually convene the Outcomes Review Committee as outlined in TISA law and promulgated rules and ensure the TISA Progress Review Board annually reviews district accountability reports, as required by law.

Endnotes

[1] *Tennessee Code Annotated* 49-3-102.

[2] *TCA* 49-3-104(2).

[3] *TCA* 49-3-109 and *TCA* 49-3-314(c) establish the required local match to meet the purposes of K-12 education.

[4] *TCA* 49-3-108(d)(1)(A)(ii).

[5] *TCA* 49-3-110.

[6] *TCA* 49-3-106(f).

[7] Tennessee Department of Education, Chapter 0520-12-05-.06, effective February 15, 2023.

[8] *TCA* 49-3-114.

Appendix A: FY 2023-24 TISA expenditures and FY 2023-24 and FY 2024-25 TISA budgets by appropriations act citation

Appropriations act citation	TCA citation	Distribution name	Distribution purpose	FY 2023-24 budget	FY 2023-24 funding to districts	Year-to-year budget change	FY 2024-25 budget
Sec. 11, Item 1(a-c)	49-3-105	Student Base, Weights, and Direct Allocations	Base funding at $6,860 (FY 24)/$7,075 (FY 25) plus weights at 70% plus direct funding at 100%	$ 6,267,334,000	$ 6,087,403,337.77	$ 261,254,000	$ 6,528,588,000
Sec. 11, Item 1(b)(1)	49-3-105(e)	Statewide Salary Increase Earmark	Funding amount restricted to existing educators (70% of $125M state)	$ 87,500,000	$ 87,500,000	$ -	$ 87,500,000
Sec. 11, Item 1(d)	49-3-106 (a-e)	Outcomes	If district achieves outcomes set by the department via rulemaking process	$ 80,000,000	$ 87,784,676	$ -	$ 80,000,000
Sec. 11, Item 2(a)	49-3-107	Fast Growth and Infrastructure Stipends	Districts that experience more than 1.25% growth in allocations from prior year; districts that experience more than 2% ADM growth in three consecutive years	$ 35,000,000	$ 35,000,000	$ -	$ 35,000,000
Sec. 11. Item 2(b)	49-3-108(b)	BEP Transition	If funds to districts are less than baseline amount in 1st four years of TISA	$ 13,000,000	$ 10,731,575.79	$ -	$ 13,000,000
Sec. 11, Item2(c)	49-3-108(c)	Safety Net Provision	To prevent district funding from decreasing by more than 5% between two years	$ -	$ -	$ -	$ -
Sec. 11, Item 2(d)	49-3-108(d)(1)(A)(i)	Distressed or At-Risk Counties	Additional funds to counties as designated by the Dept. of ECD	$ 14,500,000	$ -	$ -	$ 14,500,000
Sec. 11, Item 2(e)	49-3-108(d)(1)(A)(ii)	Tourism Development Zone	Sevier County exception	$ 1,840,000	$ 1,840,000	$ -	$ 1,840,000
Sec. 11. Item 2(f)	49-3-108(d)(2)	Cost Differential Factor	Funds to offset communities experiencing a high cost of living (i.e., cost differential factor grants)	$ -	$ -	$ -	$ -
Sec. 11. Item 2(g)	49-1-302(j)	Teacher Compensation	To offset issues of teacher compensation disparities (i.e. salary equity supplements)	$ 14,500,000	$ 14,500,000.01	$ -	$ 14,500,000
		Totals:		$6,513,674,000	$6,324,759,589.57	$ 261,254,000	$ 6,774,928,000

Notes: (1) The FY 2023-24 funding to districts column excludes $41,521,040.26 of local money from the geographic school district disbursed by TDOE to the PCSC for charter school students, $21,759,337.04 of local money from the geographic school district disbursed by TDOE to the ASD for ASD students, and $21,799,664.91 disbursed from the TISA budget for Tennessee's IEA/ESA programs. (2) The Tourism Development Zone row does not include the recurring $6,200,000 added to this line item in FY 2024-25 during the 1st Extraordinary Session of the 114th General Assembly.

Source: PC 418 (2023); PC 966 (2024); TDOE Edison expenditure reports; FY 2024-25 Work Program for 331.25 TISA.

Appendix B: OREA survey instrument for school district directors[AM]

1. Please enter your name.

2. Please select your district from the dropdown list. If your district is not listed, select "other" and enter the name in the text box.

3. What is your job title?

4. How long have you been in your current role?

5. What is your work email address? (Your survey responses are confidential; we may follow up with you for clarification.)[AN]

6. Did a representative from your district participate in any of the following public engagement opportunities related to TISA? Please select all that apply.*
    a. Public town hall meetings hosted by TDOE (November 2021)
    b. Local match meetings hosted by TDOE (December 2021)
    c. Public town hall meetings in the Chattanooga area hosted by Senator Bo Watson (January 2022)
    d. Public comment on TISA rules through TDOE (June 2022—August 2022)
    e. None of the above
    f. I'm not sure if a representative from my district participated in public engagement opportunities related to TISA
    g. Other public engagement opportunity (please specify)

7. You indicated that a representative from your district did participate in a public engagement opportunity related to TISA. Please share the job title of the representative(s) from your district who participated, and describe any comment submitted on behalf of the district related to TISA.*

8. Is there anything unique about your district that is important to highlight regarding its TISA funding (e.g., fast-growing student population, large number of English learner students, presence of charter schools, etc.)? Please explain in the comment box. If there is nothing unique, please enter N/A.

9. Overall, how would you describe the transition from the BEP to TISA in your district?
    - The transition from BEP to TISA has been excellent in my district.
    - The transition from BEP to TISA has been good in my district.
    - The transition from BEP to TISA has been fair in my district.
    - The transition from BEP to TISA has been poor in my district.
    Please elaborate on how the transition from BEP to TISA has been in your district.

10. To what extent has the implementation of TISA positively or negatively affected your district's operations in the following categories:
    (significant positive effect, positive effect, no effect, negative effect, significant negative effect)
    - Budget planning
    - Flexibility in how funds can be used (i.e., allocation of funding)
    - Data collection practices
    Please elaborate on why you selected this rating.

[AM] OREA used skip logic on surveys in this evaluation. Skip logic allows survey respondents to bypass certain survey questions. Questions that used or were affected by skip logic are denoted with an asterisk.
[AN] Individual survey responses are confidential per *TCA* 10-7-504(a)(22)(d).

11. Other than those listed in the previous question (budget planning, allocation of funding, and data collection), are there other operations in your district that have been affected by the implementation of TISA?
    - Yes
    - No
    - I don't know

If you answered "yes," please specify what other district operations have been affected by the implementation of TISA.

12. To what extent did your district experience any TISA-related issues (e.g., confusion about requirements, difficulty tracking data, lack of clarity or information, etc.) when TISA data requirements began in the 2022-23 school year? *
    - My district experienced many issues related to TISA when data requirements began in the 2022-23 school year.
    - My district experienced some issues related to TISA when data requirements began in the 2022-23 school year.
    - My district did not experience any issues related to TISA when data requirements began in the 2022-23 school year.
    - I'm not sure if my district experienced any issues related to the implementation of TISA when data requirements began in the 2022-23 school year.

13. You indicated that your district experienced TISA-related issues (e.g., confusion about requirements, difficulty tracking data, lack of clarity or information, etc.) when TISA data requirements began in the 2022-23 school year. Please elaborate on these issues and their causes.*

14. You indicated that your district did not experience TISA-related issues (e.g., confusion about requirements, difficulty tracking data, lack of clarity or information, etc.) when TISA data requirements began in the 2022-23 school year. Please use this space to elaborate on your experience during the transition to TISA.*

15. To what extent did your district experience any TISA-related issues (e.g., confusion about requirements, difficulty tracking data, lack of clarity or information, etc.) when TISA funding distributions were first implemented at the beginning of the 2023-24 school year?*
    - My district experienced many issues related to the implementation of TISA funding distributions at the beginning of the 2023-24 school year.
    - My district experienced some issues related to the implementation of TISA funding distributions at the beginning of the 2023-24 school year.
    - My district did not experience any issues related to the implementation of TISA funding distributions at the beginning of the 2023-24 school year.
    - I'm not sure if my district experienced any issues related to the implementation of TISA funding distributions at the beginning of the 2023-24 school year.

16. You indicated that your district experienced TISA-related issues (e.g., confusion about requirements, difficulty tracking data, lack of clarity or information, etc.) when TISA funding distributions were first implemented at the beginning of the 2023-24 school year. Please elaborate on these issues and their causes.*

17. You indicated that your district did not experience any issues with TISA when funding distributions were first implemented at the beginning of the 2023-24 school year. Please use this space to elaborate on your experience during the first school year of TISA funding distributions.*

18. To what extent is your district currently experiencing issues related to the implementation of TISA (e.g., confusion about requirements, difficulty tracking data, lack of clarity or information from TDOE, etc.)?*
    - My district is currently experiencing many issues related to the implementation of TISA.
    - My district is currently experiencing some issues related to the implementation of TISA.
    - My district is not currently experiencing issues related to the implementation of TISA.
    - I'm not sure if my district is currently experiencing any issues related to the implementation of TISA.

19. You indicated that your district is currently experiencing issues related to the implementation of TISA. Please elaborate on these issues and their causes.*

20. You indicated that your district is not currently experiencing any TISA-related issues. Please use this space to elaborate on your experience, including how any initial TISA-related issues were resolved.*

21. How would you rate TDOE's communication with your district in the following areas?
    (excellent, good, fair, poor)
    - Your district's estimated TISA allocations for the 2023-24 school year
    - Your district's actual TISA allocations for the 2023-24 school year
    - Available informational resources about TISA
    - Expectations for districts (e.g., data requirements)
    - Responding to TISA-related questions

22. State law requires TDOE to create a professional development series, which is to include an in-depth explanation about how the TISA formula works as well as guidance on linking budget and spending decisions to investments in strong student achievement. TDOE must provide the professional development series to school district and charter school officials and employees at their request, as well as make the series available through the TDOE website. (See *TCA* 49-3-110.)
    Has your district utilized TDOE's professional development series on TISA?*
    - Yes, my district has utilized TDOE's professional development series on TISA.
    - No, my district has not utilized TDOE's professional development series on TISA.
    - I'm not sure if my district has utilized TDOE's professional development series on TISA.

23. You indicated that your district has utilized TDOE's professional development series on TISA. How would you rate the effectiveness of the professional development in preparing your district's staff for the transition to a new formula and helping them better understand TISA-related matters (e.g., how the formula works, changes districts can expect, etc.)?*
    - The TDOE professional development series has done an excellent job in helping my district's staff with TISA.
    - The TDOE professional development series has done a good job in helping my district's staff with TISA.
    - The TDOE professional development series has done a fair job in helping my district's staff with TISA.
    - The TDOE professional development series has done a poor job in helping my district's staff with TISA.
    - I'm not sure of the effectiveness of the TDOE professional development series in helping my district's staff with TISA.

24. You indicated that your district has not utilized TDOE's professional development series on TISA. Which of the following best describes why your district has not used this training?*
    - Staff in my district were well prepared and did not require additional training related to TISA, such as the TDOE professional development series.
    - Staff in my district participated in other forms of training related to TISA.
    - Staff in my district plan to participate in TDOE's professional development series in the future.
    - Staff in my district did not know this option existed.

25. How well do you feel staff in your district were prepared for the implementation of TISA and any accompanying changes?*
    - Staff in my district were well prepared for the implementation of TISA and any accompanying changes.
    - Staff in my district were somewhat prepared for the implementation of TISA and any accompanying changes.
    - Staff in my district were not prepared for the implementation of TISA and any accompanying changes.
    - I'm not sure how prepared staff in my district were for the implementation of TISA and any accompanying changes.

26. You indicated that your district staff were well prepared for the implementation of TISA. Which, if any, of the following helped prepare your staff? Check all that apply.*
    a. In-person training or assistance provided by TDOE (not including the professional development series mentioned in the previous section)
    b. Virtual training or assistance provided by TDOE (not including the professional development series mentioned in the previous section)
    c. Other resources provided by TDOE, such as the TISA Guide, etc. (not including the professional development series mentioned in the previous section)
    d. Internal training or resources provided by your district
    e. Training or resources provided by an external entity other than TDOE
    f. Collaboration with other districts
    g. Independent preparation completed by individual staff (i.e., staff sought out their own means of preparation)
    h. Pre-existing knowledge based on prior experience

27. In what areas, if any, could your district staff have been better prepared for the implementation of TISA? Check all that apply.*
    a. Tracking student data
    b. Flexibility in how funds can be used (i.e., allocation of funding)
    c. Budget planning
    d. Operations of finance staff
    e. How to budget for outcomes funding

28. Please use this space to share any other information about your district's preparation for the implementation of TISA.*

29. You indicated that your district staff were somewhat prepared for the implementation of TISA. Which, if any, of the following helped prepare your staff? Check all that apply.*
    a. In-person training or assistance provided by TDOE (not including the professional development series mentioned in the previous section)
    b. Virtual training or assistance provided by TDOE (not including the professional development series mentioned in the previous section)
    c. Other resources provided by TDOE, such as the TISA Guide, etc. (not including the professional development series mentioned in the previous section)
    d. Internal training or resources provided by your district
    e. Training or resources provided by an external entity other than TDOE
    f. Collaboration with other districts
    g. Independent preparation completed by individual staff (i.e., staff sought out their own means of preparation)
    h. Other (please specify)

30. In what areas, if any, could your district staff have been better prepared for the implementation of TISA? Check all that apply.*
    a. Tracking student data
    b. Flexibility in how funds can be used (i.e., allocation of funding)
    c. Budget planning
    d. Operations of finance staff
    e. How to budget for outcomes funding

31. Please use this space to share any other information about your district's preparation for the implementation of TISA.*

32. You indicated that your district staff were not prepared for the implementation of TISA. Which, if any, of the following options were utilized to prepare your staff? Check all that apply.*
    a. In-person training or assistance provided by TDOE (not including the professional development series mentioned in the previous section)
    b. Virtual training or assistance provided by TDOE (not including the professional development series mentioned in the previous section)
    c. Other resources provided by TDOE, such as the TISA Guide, etc. (not including the professional development series mentioned in the previous section)
    d. Internal training or resources provided by your district
    e. Training or resources provided by an external entity other than TDOE
    f. Collaboration with other districts
    g. Independent preparation completed by individual staff (i.e., staff sought out their own means of preparation)
    h. Other (please specify)

33. In what areas, if any, could your district staff have been better prepared for the implementation of TISA? Check all that apply.*
    f. Tracking student data
    g. Flexibility in how funds can be used (i.e., allocation of funding)
    h. Budget planning
    i. Operations of finance staff
    j. How to budget for outcomes funding

34. Please use this space to share any other information about your district's preparation for the implementation of TISA.*

35. Over the past year, have there been any changes in the workload of staff in your district that is due only to the implementation of TISA? Please select any change in the workload of the following staff: (significantly increased, increased, no change, decreased, significantly decreased)
    • Staff who work with students with unique learning needs (e.g., English learners, students with characteristics of dyslexia, etc.) at the district level
    • Staff who work with student data at the district level
    • District-level financial staff
    • Other district-level staff
    • Staff who work with students with unique learning needs (e.g., English learners, students with characteristics of dyslexia, etc.) at the school level
    • Staff who work with student data at the school level
    • Classroom teachers
    • Principals/assistant principals
    • School counselors
    • Psychologists
    • Nurses
    • Other school-level staff

36. Over the past year, has your district hired any additional staff to address workload changes due only to the implementation of TISA? Please select whether your district has hired multiple, one, or none of the following positions over the past year:
    (multiple, one, none, unsure)
    • Staff who work with students with unique learning needs (e.g., English learners, students with characteristics of dyslexia, etc.) at the district level
    • Staff who work with student data at the district level
    • District-level financial staff
    • Other district-level staff
    • Staff who work with students with unique learning needs (e.g., English learners, students with characteristics of dyslexia, etc.) at the school level
    • Staff who work with student data at the school level
    • Classroom teachers
    • Principals/assistant principals
    • School counselors
    • Psychologists
    • Nurses
    • Other school-level staff

37. Please use this space to elaborate on the effect of TISA on school and district staffing.

38. Does your district plan to hire any additional staff (e.g., classroom teachers, special education teachers, counselors, financial staff, etc.) at any point over the next year because of TISA?*
    • Yes, my district plans to hire additional staff because of TISA.
    • No, my district does not plan to hire additional staff because of TISA.
    • I don't know if my district plans to hire additional staff because of TISA.

39. You indicated that your district plans to hire at least one additional staff person at some point over the next year in direct correlation with TISA. Using a numerical value (e.g., 2) please specify how many staff the district plans to hire. If you are unsure, please enter "unsure."*

40. Please elaborate on the type of staff your district plans to hire, including possible position title, job responsibilities, etc.*

41. TISA includes weights that generate additional funding for students with unique learning needs. Have there been any changes in how your district identifies students with unique learning needs?*
   - Yes, my district has made many changes in how we identify students with unique learning needs.
   - Yes, my district has made some changes in how we identify students with unique learning needs.
   - No, my district has not made many changes in how we identify students with unique learning needs.
   - I'm not sure if my district has made any changes in how we identify students with unique learning needs.

42. You indicated that your district has made changes in how you identify students with unique learning needs. Please elaborate on these changes along with the reasons for them.*

43. You indicated that your district has not made changes in how you identify students with unique learning needs. Please elaborate on your district's current process and how it has worked with the implementation of TISA.*

44. Tennessee Plans for Learning Success and Excellence (TN PULSE) was introduced in the summer of 2023 as the state's system of record for student learning plans, including IEPs and Section 504 plans for students with disabilities, ILPs for English learners, and ILP-D plans for students with characteristics of dyslexia. TN PULSE is used for tracking a portion of the data used in determining TISA allocations.
   How would you rate your district's transition to TN PULSE?
   - The transition to TN PULSE has been excellent.
   - The transition to TN PULSE has been good.
   - The transition to TN PULSE has been fair.
   - The transition to TN PULSE has been poor.
   - I'm not sure how the transition to TN PULSE has gone in my district.

45. The state funding in 2023-24 for TISA included $125 million that can only be used to increase existing educators' salaries. Funds are awarded based on each district's proportional share of statewide student enrollment.
   How were those funds allocated in your district? Please elaborate on how the additional funds for educator salary increases were allocated in your district (e.g., educators received the same amount, educators received the same percentage increase, etc.).

46. The 2023-24 state funding for TISA included a total of $35 million in fast-growth funds for fast-growth stipends to be disbursed throughout the school year (for districts with significant student enrollment growth in a single school year).
   Did your district qualify for a fast-growth stipend during the 2023-24 school year?*
   - Yes, my district qualified for a fast-growth stipend for the 2023-24 school year.
   - No, my district did not qualify for a fast-growth stipend for the 2023-24 school year.
   - I'm not sure if my district qualified for a fast-growth stipend for the 2023-24 school year.

47. You indicated that your district qualified for a fast-growth stipend for the 2023-24 school year. Please elaborate on how those funds were allocated in your district.*

48. TISA provides outcomes funding to districts that achieve specific targets in student performance (differentiated by grade band). The funding is 100% state funded and awarded in the following school year in which the performance indicators are measured. Outcomes funding was disbursed between

December 2023 and March 2024 based on performance during the 2022-23 school year.
Did your district include an estimate for outcomes funding in its overall district budget for the 2023-24 school year?
- Yes, my district included an estimate for outcomes funding in its overall budget for the 2023-24 school year.
- No, my district did not include an estimate for outcomes funding in its overall budget for the 2023-24 school year.
- I'm not sure if my district included an estimate for outcomes funding in its overall budget for the 2023-24 school year.

49. Does your district plan to include outcomes-based funding estimates in its overall district budget for the 2024-25 school year?
- Yes, my district plans to include an estimate for outcomes funding in its overall budget for the 2024-25 school year.
- No, my district does not plan to include an estimate for outcomes funding in its overall budget for the 2024-25 school year.
- I'm not sure if my district plans to include an estimate for outcomes funding in its overall budget for the 2024-25 school year.

50. The TISA law establishes a process for districts to annually provide the Comptroller's office with feedback and recommendations about the formula. Please use this space to share any general thoughts and recommendations on the TISA funding formula and its implementation in the 2022-23 and 2023-24 school years. As a reminder, all responses will be reported only in the aggregate, so feel free to speak candidly.

Appendix C: Funding formulas by state

State	Funding model name	Funding model type
Alabama	Foundation Program	Resource-based
Alaska	State Aid to Public Schools	Student-based
Arizona	Base Support Level	Student-based
Arkansas	School Foundation Funding	Student-based
California	Local Control Funding Formula	Student-based
Colorado	District Total Program	Student-based
Connecticut	Education Cost Sharing Grant	Student-based
Delaware	State Appropriations	Resource-based
District of Columbia	Uniform Per Student Funding Formula	Student-based
Florida	Florida Education Finance Program	Student-based
Georgia	Quality Basic Education	Hybrid
Hawaii	Weighted Student Formula	Student-based
Idaho	Educational Support Program	Resource-based
Illinois	Evidence-Based Funding	Hybrid
Indiana	State Tuition Support	Student-based
Iowa	State School Foundation Program	Student-based
Kansas	State Foundation Aid	Student-based
Kentucky	Support Education Excellence in Kentucky	Student-based
Louisiana	Minimum Foundation Program	Student-based
Maine	Essential Programs and Services	Hybrid
Maryland	Blueprint for Maryland's Future	Student-based
Massachusetts	Chapter 70 Aid	Hybrid
Michigan	Foundation Allowance	Student-based
Minnesota	General Education Revenue	Student-based
Mississippi	Mississippi Adequate Education Program	Student-based
Missouri	School Foundation Program	Student-based
Montana	Base Amount of School Equity - Per Average Number Belonging Entitlement	Student-based
Nebraska	Tax Equity and Educational Opportunities Support Act	Student-based
Nevada	Pupil-Centered Funding Plan	Student-based
New Hampshire	Adequate Education Aid	Student-based
New Jersey	School Funding Reform Act	Student-based
New Mexico	State Equalization Guarantee	Student-based
New York	Foundation Aid	Student-based
North Carolina	School Allotments	Resource-based
North Dakota	State Formula Aid	Student-based
Ohio	Foundation Funding	Student-based

State	Funding model name	Funding model type
Oklahoma	Foundation Aid	Student-based
Oregon	General Purpose Grant	Student-based
Pennsylvania	Basic Education Funding	Student-based
Rhode Island	Foundation Education Aid	Student-based
South Carolina	Foundation Program	Student-based
South Dakota	General School Aid	Resource-based
Tennessee	Tennessee Investment in Student Achievement (TISA)	Student-based
Texas	Foundation School Program	Student-based
Utah	Minimum School Program	Student-based
Vermont	Education Fund	Other
Virginia	Standards of Quality	Resource-based
Washington	General Apportionment	Resource-based
West Virginia	Public School Support Program	Resource-based
Wisconsin	General Equalization Aid	Other
Wyoming	School Foundation Program	Resource-based

Source: Education Commission of the States (ECS).

Appendix D: Small and sparse districts | 2023-24 and 2024-25

Small districts for 2023-24

Alamo City	Hancock County	Richard City
Bells City	H. Rock-Bruceton SSD	Rogersville City
Bradford SSD	Lake County	South Carroll SSD
Carroll County	Lexington City	Van Buren County
Clinton City	Moore County	West Carroll SSD
Dayton City	Newport City	
Etowah City	Pickett County	

Source: Tennessee Department of Education.

Sparse districts for 2023-24

Anderson County	Fayette County	Lake County	Polk County
Bedford County	Fentress County	Lauderdale County	Rhea County
Benton County	Franklin County	Lawrence County	Roane County
Bledsoe County	Gibson County SSD	Lewis County	Robertson County
Blount County	Giles County	Lincoln County	Scott County
Campbell County	Grainger County	Loudon County	Sequatchie County
Cannon County	Greene County	Macon County	Sevier County
Carroll County	Grundy County	Madison County	Smith County
Carter County	Hancock County	Marion County	Stewart County
Cheatham County	Hardeman County	Marshall County	Sullivan County
Chester County	Hardin County	Maury County	Tipton County
Claiborne County	Hawkins County	McMinn County	Trousdale County
Clay County	Haywood County	McNairy County	Unicoi County
Cocke County	Henderson County	Meigs County	Van Buren County
Coffee County	Henry County	Monroe County	Warren County
Crockett County	Hickman County	Moore County	Washington County
Cumberland County	Houston County	Morgan County	Wayne County
Decatur County	Humphreys County	Obion County	Weakley County
DeKalb County	Jackson County	Overton County	White County
Dickson County	Jefferson County	Perry County	
Dyer County	Johnson County	Pickett County	

Source: Tennessee Department of Education.

Small districts for 2024-25

Alamo City	Hancock County	Pickett County
Bells City	H. Rock-Bruceton SSD	Richard City
Bradford SSD	Humboldt City	Rogersville City
Carroll County	Lake County	South Carroll SSD
Clay County	Lexington City	Van Buren County
Clinton City	Moore County	West Carroll SSD
Dayton City	Newport City	
Etowah City	Perry County	

Source: Tennessee Department of Education.

Sparse districts for 2024-25

Anderson County	Fayette County	Lake County	Polk County
Bedford County	Fentress County	Lauderdale County	Rhea County
Benton County	Franklin County	Lawrence County	Roane County
Bledsoe County	Gibson County SSD	Lewis County	Robertson County
Blount County	Giles County	Lincoln County	Scott County
Campbell County	Grainger County	Loudon County	Sequatchie County
Cannon County	Greene County	Macon County	Sevier County
Carroll County	Grundy County	Madison County	Smith County
Carter County	Hancock County	Marion County	Stewart County
Cheatham County	Hardeman County	Marshall County	Sullivan County
Chester County	Hardin County	Maury County	Tipton County
Claiborne County	Hawkins County	McMinn County	Trousdale County
Clay County	Haywood County	McNairy County	Unicoi County
Cocke County	Henderson County	Meigs County	Union County
Coffee County	Henry County	Monroe County	Van Buren County
Crockett County	Hickman County	Moore County	Warren County
Cumberland County	Houston County	Morgan County	Washington County
Decatur County	Humphreys County	Obion County	Wayne County
DeKalb County	Jackson County	Overton County	Weakley County
Dickson County	Jefferson County	Perry County	White County
Dyer County	Johnson County	Pickett County	

Source: Tennessee Department of Education.

Appendix E: Special education option codes used for ULN weights

Special education option code	Hours and services received
Option 1	Consultation – minimum of two contacts/month, except OT/PT (min. of three contacts/year) Direct services equal to or less than one hour/week. Related services equal less than one hour/week.
Option 2	Direct services more than or equal to one but less than four hours/week or any related service more than or equal to one but less than four hours/week
Option 3	Direct services more than or equal to four but less than nine hours/week or any one related service more than or equal to four but less than nine hours/week
Option 4	Direct services more than or equal to nine but less than 14 hours/week or any one related service more than or equal to nine but less than 14 hours/week
Option 5	Direct services more than or equal to 14 but less than 23 hours/week or any one related service more than or equal to 14 but less than 23 hours/week
Option 6	Ancillary services – attendant provided so that the student can have at least four hours/day in less restrictive and general education settings
Option 7	Direct services – special education services 23 or more hours/week or any one related service 23 or more hours/week
Option 8	Self-contained or CDC – the sum of all direct services plus related services listed below plus up to 10 hours/week of special education educational assistant in the general program equals 32.5 or more hours/week. In addition, at least two related services from those specified below must be received for at least the minimum times listed. • One hour/week: psychological services, counseling services, speech/language services, vision services, hearing services • Three contacts/year, with time span reported: occupational therapy, physical therapy
Option 9	Residential services – provided at least 24 hours/day
Option 10	Hospital/homebound – provided three or more hours/week

Source: Tennessee Department of Education TISA Guide.

Appendix F: Outcomes funding committee

The commissioner of education is required to annually convene an Outcomes Committee to evaluate current outcome bonuses and goals. The committee is comprised of 12 stakeholders, all of whom may serve a three-year term:

- Three directors of schools (one each from urban, suburban, and rural districts)
- One teacher
- Three legislators (Senate Education Chair, House Education Administration Chair, and House Education Instruction Chair)
- Chair of the State Board of Education
- One parent of a Tennessee public school student
- One Tennessee resident
- One Tennessee private business leader
- One member of a local school board

Outcomes Review Committee members

Member	Title
Rep. Debra Moody	Chair, House Education Instruction committee
Rep. Mark White	Chair, House Education Administration committee
Sen. Jon Lundberg	Chair, Senate Education committee
Lillian Hargrove	Chair, State Board of Education
Wesley Kennedy	Director of Schools, Union County Schools
Versie Hamlett	Director of Schools, Fayette County Public Schools
Jason Golden	Director of Schools, Williamson County Schools
Sarai Pierce	Director of Schools, Sequatchie County Schools
Morgan Rankin	Teacher, Johnson City School
Betsy Henderson	School Board member, Knox County Schools
Elaine Swafford	CEO, Chattanooga Girls Leadership Academy
Victor Evans	Executive Director, TennesseeCAN
Jen Aprea	Director of Family Engagement in Special Education, The Arc Tennessee
Teresa Sloyan	President, Hyde Family Foundation
Ralph Schulz	CEO, Nashville Chamber of Commerce
Jennifer McFerron	Vice President, Nashville Chamber of Commerce

Source: Tennessee Department of Education.

See OREA's 2023 publication *Outcomes Funding Overview* for more information on outcomes funding.

Appendix G: Outcomes funding by district | FY 2023-24

District	Amount
Anderson County	$ 565,950
Clinton City	$ 94,668
Oak Ridge City	$ 530,278
Bedford County	$ 616,028
Benton County	$ 205,114
Bledsoe County	$ 181,104
Blount County	$ 894,544
Alcoa City	$ 240,786
Maryville City	$ 642,096
Bradley County	$ 967,946
Cleveland City	$ 459,620
Campbell County	$ 404,740
Cannon County	$ 109,760
Carroll County	$ -
Hollow Rock – Bruceton SSD	$ 76,832
Huntingdon SSD	$ 163,954
McKenzie SSD	$ 166,012
South Carroll SSD	$ 37,044
West Carroll SSD	$ 109,074
Carter County	$ 347,802
Elizabethton City	$ 297,724
Cheatham County	$ 464,422
Chester County	$ 307,328
Claiborne County	$ 321,734
Clay County	$ 136,514
Cocke County	$ 408,170
Newport City	$ 69,286
Coffee County	$ 356,034
Manchester City	$ 114,562
Tullahoma City	$ 274,400
Crockett County	$ 185,220
Alamo City	$ 63,112
Bells City	$ 40,474
Cumberland County	$ 680,512
Davidson County	$ 5,596,388
Decatur County	$ 172,872

District	Amount
DeKalb County	$ 257,250
Dickson County	$ 723,044
Dyer County	$ 373,870
Dyersburg City	$ 233,926
Fayette County	$ 179,732
Fentress County	$ 176,302
Franklin County	$ 408,170
Gibson County SSD	$ 503,524
Bradford SSD	$ 69,286
Humboldt City	$ 50,764
Milan SSD	$ 236,670
Trenton SSD	$ 114,562
Giles County	$ 341,628
Grainger County	$ 296,352
Greene County	$ 522,732
Greeneville City	$ 329,280
Grundy County	$ 131,026
Hamblen County	$ 939,134
Hamilton County	$ 3,982,230
Hancock County	$ 83,692
Hardeman County	$ 268,912
Hardin County	$ 304,584
Hawkins County	$ 510,384
Rogersville City	$ 50,078
Haywood County	$ 163,268
Henderson County	$ 528,220
Lexington City	$ 85,750
Henry County	$ 327,222
Paris SSD	$ 166,012
Hickman County	$ 280,574
Houston County	$ 79,576
Humphreys County	$ 185,906
Jackson County	$ 142,688
Jefferson County	$ 660,618
Johnson County	$ 292,922
Knox County	$ 5,055,820
Lake County	$ 65,170
Lauderdale County	$ 280,574

District	Amount
Lawrence County	$ 635,236
Lewis County	$ 174,930
Lincoln County	$ 404,054
Fayetteville city	$ 96,726
Loudon County	$ 465,794
Lenoir City	$ 249,704
Macon County	$ 372,498
Madison County	$ 913,752
Marion County	$ 360,150
Richard City	$ 9,604
Marshall County	$ 377,300
Maury County	$ 905,520
McMinn County	$ 506,954
Athens	$ 168,756
Etowah	$ 30,870
McNairy County	$ 414,344
Meigs County	$ 155,722
Monroe County	$ 398,566
Sweetwater City	$ 107,016
Montgomery County	$ 3,023,202
Moore County	$ 93,982
Morgan County	$ 198,940
Obion County	$ 325,164
Union City	$ 113,190
Overton County	$ 334,768
Perry County	$ 95,354
Pickett County	$ 38,416
Polk County	$ 178,360
Putnam County	$ 1,122,296
Rhea County	$ 373,870
Dayton City	$ 78,890
Roane County	$ 676,396
Robertson County	$ 893,172
Rutherford County	$ 4,783,478
Murfreesboro City	$ 824,572
Scott County	$ 229,810
Oneida SSD	$ 104,958
Sequatchie County	$ 179,046

District	Amount
Sevier County	$ 1,171,688
Shelby County	$ 7,744,254
Arlington City	$ 670,222
Bartlett City	$ 953,540
Collierville City	$ 1,195,012
Germantown City	$ 795,074
Lakeland City	$ 234,612
Millington City	$ 183,848
Smith County	$ 253,134
Stewart County	$ 142,002
Sullivan County	$ 742,938
Bristol City	$ 445,214
Kingsport City	$ 775,866
Sumner County	$ 2,958,032
Tipton County	$ 917,182
Trousdale County	$ 155,722
Unicoi County	$ 201,684
Union County	$ 345,058
Van Buren County	$ 63,798
Warren County	$ 543,998
Washington County	$ 806,736
Johnson City	$ 927,472
Wayne County	$ 214,718
Weakley County	$ 380,044
White County	$ 338,884
Williamson County	$ 5,496,232
Franklin SSD	$ 305,270
Wilson County	$ 1,898,848
Lebanon SSD	$ 355,348
Achievement School District	$ 161,896
Department Of Children's Services	$ -
Tennessee Public Charter School Commission	$ 287,434
Total	**$ 87,784,676**

Source: TDOE Edison expenditure data.

Appendix H: Fiscal capacity and change from the prior year by school district | FY 2022-23 to FY 2023-24

Because fiscal capacity is calculated on a county basis, the fiscal capacity for a county applies to all school districts (county, city, and special school district) in the county.[AO]

The far-right column below shows the percentage change in each district's fiscal capacity between FY 2022-23 and FY 2023-24. A positive percentage means fiscal capacity increased for the district over the period and so, correspondingly, the proportional responsibility of the local share required under TISA increased. For districts showing a negative percentage over the period, the opposite is the case: their fiscal capacity decreased, meaning the proportional responsibility of the local share decreased. Percent change does not necessarily indicate an increase or decrease in the amount of local funding required by a district. For example, if a district's overall TISA allocation went down, their local funding requirement may have dropped even with an increase in fiscal capacity.

School district	FY 2022-23	FY 2023-24	Percent change
Anderson County	1.0609%	1.0698%	0.8418%
Clinton City	1.0609%	1.0698%	0.8418%
Oak Ridge City	1.0609%	1.0698%	0.8418%
Bedford County	0.5318%	0.5246%	-1.3431%
Benton County	0.1377%	0.1384%	0.4816%
Bledsoe County	0.0640%	0.0636%	-0.6489%
Blount County	1.8469%	1.8581%	0.6096%
Alcoa City	1.8469%	1.8581%	0.6096%
Maryville City	1.8469%	1.8581%	0.6096%
Bradley County	1.3327%	1.3014%	-2.3468%
Cleveland City	1.3327%	1.3014%	-2.3468%
Campbell County	0.3558%	0.3563%	0.1395%
Cannon County	0.0960%	0.0976%	1.6720%
Carroll County	0.2019%	0.1968%	-2.5420%
H Rock-Bruceton SSD	0.2019%	0.1968%	-2.5420%
Huntingdon SSD	0.2019%	0.1968%	-2.5420%
McKenzie SSD	0.2019%	0.1968%	-2.5420%
South Carroll Co SSD	0.2019%	0.1968%	-2.5420%
West Carroll Co SSD	0.2019%	0.1968%	-2.5420%
Carter County	0.4171%	0.4065%	-2.5199%
Elizabethton City	0.4171%	0.4065%	-2.5199%
Cheatham County	0.4083%	0.4150%	1.6528%
Chester County	0.1095%	0.1108%	1.2489%
Claiborne County	0.2308%	0.2258%	-2.1404%
Clay County	0.0473%	0.0478%	1.1795%
Cocke County	0.3080%	0.3090%	0.3454%

School district	FY 2022-23	FY 2023-24	Percent change
Newport City	0.3080%	0.3090%	0.3454%
Coffee County	0.7348%	0.7333%	-0.1938%
Manchester City	0.7348%	0.7333%	-0.1938%
Tullahoma City	0.7348%	0.7333%	-0.1938%
Crockett County	0.1064%	0.1092%	2.6496%
Alamo City	0.1064%	0.1092%	2.6496%
Bells City	0.1064%	0.1092%	2.6496%
Cumberland County	0.6914%	0.6967%	0.7605%
Davidson County	17.5503%	17.7252%	0.9965%
Decatur County	0.1033%	0.1014%	-1.8532%
DeKalb County	0.2001%	0.1975%	-1.2949%
Dickson County	0.6953%	0.6920%	-0.4683%
Dyer County	0.4402%	0.4415%	0.3057%
Dyersburg City	0.4402%	0.4415%	0.3057%
Fayette County	0.4326%	0.4391%	1.4991%
Fentress County	0.1364%	0.1362%	-0.1209%
Franklin County	0.4416%	0.4486%	1.5811%
Gibson County SSD	0.4509%	0.4500%	-0.1935%
Humboldt City	0.4509%	0.4500%	-0.1935%
Milan SSD	0.4509%	0.4500%	-0.1935%
Trenton SSD	0.4509%	0.4500%	-0.1935%
Bradford SSD	0.4509%	0.4500%	-0.1935%
Giles County	0.3068%	0.3076%	0.2510%
Grainger County	0.1272%	0.1239%	-2.5908%
Greene County	0.6604%	0.6639%	0.5290%
Greeneville City	0.6604%	0.6639%	0.5290%
Grundy County	0.0830%	0.0840%	1.1295%
Hamblen County	0.8699%	0.8648%	-0.5778%
Hamilton County	5.9573%	5.8711%	-1.4457%
Hancock County	0.0289%	0.0285%	-1.5492%
Hardeman County	0.1608%	0.1578%	-1.8491%
Hardin County	0.3248%	0.3187%	-1.8541%
Hawkins County	0.4397%	0.4317%	-1.8307%
Rogersville City	0.4397%	0.4317%	-1.8307%
Haywood County	0.1589%	0.1533%	-3.5002%
Henderson County	0.2478%	0.2460%	-0.7441%
Lexington City	0.2478%	0.2460%	-0.7441%
Henry County	0.3451%	0.3444%	-0.1975%
Paris SSD	0.3451%	0.3444%	-0.1975%

School district	FY 2022-23	FY 2023-24	Percent change
Hickman County	0.1452%	0.1465%	0.8981%
Houston County	0.0499%	0.0492%	-1.2502%
Humphreys County	0.2168%	0.2122%	-2.1662%
Jackson County	0.0574%	0.0573%	-0.2582%
Jefferson County	0.5145%	0.5186%	0.8138%
Johnson County	0.1143%	0.1129%	-1.2752%
Knox County	7.7600%	7.7934%	0.4311%
Lake County	0.0325%	0.0309%	-4.9357%
Lauderdale County	0.1690%	0.1648%	-2.4833%
Lawrence County	0.3679%	0.3665%	-0.3842%
Lewis County	0.1125%	0.1195%	6.1742%
Lincoln County	0.3168%	0.3120%	-1.5180%
Fayetteville City	0.3168%	0.3120%	-1.5180%
Loudon County	0.7383%	0.7446%	0.8590%
Lenoir City	0.7383%	0.7446%	0.8590%
McMinn County	0.6108%	0.6107%	-0.0158%
Athens City	0.6108%	0.6107%	-0.0158%
Etowah City	0.6108%	0.6107%	-0.0158%
McNairy County	0.1851%	0.1792%	-3.1855%
Macon County	0.1873%	0.1899%	1.4056%
Madison County	1.5320%	1.5176%	-0.9401%
Marion County	0.3380%	0.3384%	0.1081%
Richard City SSD	0.3380%	0.3384%	0.1081%
Marshall County	0.3753%	0.3778%	0.6623%
Maury County	1.3195%	1.3581%	2.9225%
Meigs County	0.0795%	0.0769%	-3.3222%
Monroe County	0.4787%	0.4817%	0.6143%
Sweetwater City	0.4787%	0.4817%	0.6143%
Montgomery County	2.6139%	2.6190%	0.1965%
Moore County	0.0988%	0.0931%	-5.7463%
Morgan County	0.0954%	0.0939%	-1.5621%
Obion County	0.3423%	0.3379%	-1.3007%
Union City	0.3423%	0.3379%	-1.3007%
Overton County	0.1692%	0.1653%	-2.3267%
Perry County	0.0681%	0.0664%	-2.4483%
Pickett County	0.0470%	0.0469%	-0.2222%
Polk County	0.1068%	0.1046%	-2.0554%
Putnam County	1.1366%	1.1371%	0.0469%
Rhea County	0.3271%	0.3292%	0.6563%

School district	FY 2022-23	FY 2023-24	Percent change
Dayton City	0.3271%	0.3292%	0.6563%
Roane County	0.6158%	0.6172%	0.2218%
Robertson County	0.8680%	0.8959%	3.2249%
Rutherford County	5.0324%	5.2026%	3.3805%
Murfreesboro City	5.0324%	5.2026%	3.3805%
Scott County	0.1628%	0.1610%	-1.1027%
Oneida SSD	0.1628%	0.1610%	-1.1027%
Sequatchie County	0.1321%	0.1311%	-0.7630%
Sevier County	2.9249%	3.0249%	3.4188%
Shelby County	13.1530%	12.8019%	-2.6698%
Arlington City	13.1530%	12.8019%	-2.6698%
Bartlett City	13.1530%	12.8019%	-2.6698%
Collierville City	13.1530%	12.8019%	-2.6698%
Germantown City	13.1530%	12.8019%	-2.6698%
Lakeland City	13.1530%	12.8019%	-2.6698%
Millington City	13.1530%	12.8019%	-2.6698%
Smith County	0.1923%	0.1919%	-0.2089%
Stewart County	0.1140%	0.1132%	-0.6497%
Sullivan County	2.1309%	2.0485%	-3.8681%
Bristol City	2.1309%	2.0485%	-3.8681%
Kingsport City	2.1309%	2.0485%	-3.8681%
Sumner County	2.5587%	2.5801%	0.8331%
Tipton County	0.5006%	0.5008%	0.0432%
Trousdale County	0.0829%	0.0824%	-0.5850%
Unicoi County	0.1523%	0.1471%	-3.3737%
Union County	0.1150%	0.1211%	5.3035%
Van Buren County	0.0394%	0.0387%	-1.8953%
Warren County	0.3893%	0.3848%	-1.1468%
Washington County	1.7444%	1.7260%	-1.0591%
Johnson City	1.7444%	1.7260%	-1.0591%
Wayne County	0.1013%	0.1007%	-0.5375%
Weakley County	0.2686%	0.2695%	0.3439%
White County	0.2109%	0.2139%	1.4271%
Williamson County	6.6305%	6.6307%	0.0040%
Franklin SSD	6.6305%	6.6307%	0.0040%
Wilson County	2.3312%	2.3758%	1.9111%
Lebanon SSD	2.3312%	2.3758%	1.9111%

Source: OREA analysis of data provided by TDOE.

Appendix I: TDOE core regions

Map of TDOE core regions

Source: https://www.tn.gov/education/about-the-tdoe/tennessee-education-interactive-map.html.
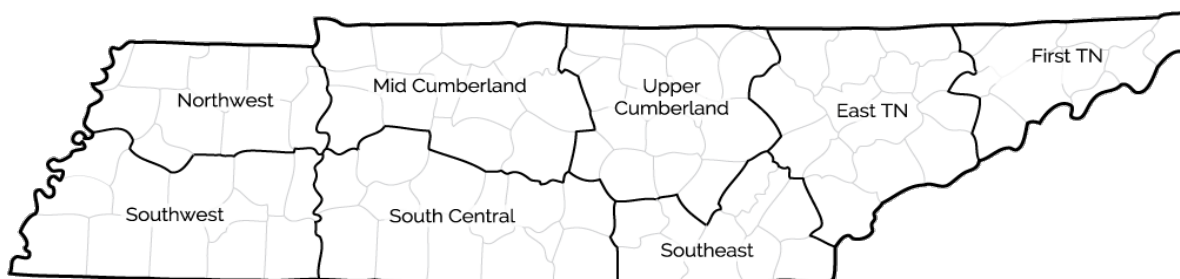
Counties by TDOE core region

Northwest	Mid-Cumberland	Upper Cumberland	First TN
Benton	Cheatham	Bledsoe	Carter
Carroll	Davidson	Cannon	Cocke
Crockett	Dickson	Clay	Greene
Dyer	Houston	Cumberland	Hamblen
Gibson	Humphreys	DeKalb	Hancock
Henry	Montgomery	Fentress	Hawkins
Lake	Robertson	Jackson	Johnson
Obion	Rutherford	Macon	Sullivan
Weakley	Stewart	Overton	Unicoi
	Sumner	Pickett	Washington
	Williamson	Putnam	
	Wilson	Smith	**East TN**
	South Central	Trousdale	Anderson
Southwest	Bedford	Van Buren	Blount
Chester	Coffee	Warren	Campbell
Decatur	Franklin	White	Clairborne
Fayette	Giles	**Southeast**	Grainger
Hardeman	Hickman	Bradley	Jefferson
Hardin	Lawrence	Grundy	Knox
Haywood	Lewis	Hamilton	Louden
Henderson	Lincoln	Marion	Monroe
Lauderdale	Marshall	McMinn	Morgan
Madison	Maury	Meigs	Roane
McNairy	Moore	Polk	Scott
Shelby	Perry	Rhea	Sevier
Tipton	Wayne	Sequatchie	Union

Source: Tennessee Department of Education.

Appendix J: Funding review subcommittees

Subcommittee	Chair	Title
Student engagement	Elizabeth Brown	President – Future Business Leaders of America-TN; Senior – Coffee Co. HS
Students with disabilities and gifted students	Brad Turner	Commissioner – TN Department of Intellectual and Developmental Disabilities
English Learners	Raul Lopez	Executive Director – Latinos for Tennessee
Economically disadvantaged and highly mobile students	Victor Evans	Executive Director - TennesseeCAN
Parent choice and voice	Dr. Derwin Sisnett	Commissioner – TN Public Charter School Commission
Teacher advisory	Morgan Rankin	2021-22 Teacher of the Year – Johnson City Schools
Principal advisory	Farrah Griffith	Principal – White County Schools
School system personnel	Steve Starnes	Director of Schools – Greeneville City Schools
School system leadership	Dr. Danny Weeks	Director of Schools – Dickson County Schools
Rural and small districts	Janet Ayers	President – Ayers Foundation
Suburban districts, municipals, and fast-growing communities	Dr. Ted Horrell	Director of Schools – Lakeland School System
Urban districts	Cato Johnson	Chief of Staff and Senior Vice President of Public Policy/Regulatory Affairs – Methodist Le Bonheur Healthcare
Higher education and postsecondary readiness	Dr. Youlanda Jones	President – TN Colleges of Applied Technology-Covington, Ripley, and Newbern
Postsecondary readiness and the business community	Randy Boyd	President – University of Tennessee System
Chambers of Commerce and industry	Dr. Jared Bigham	Senior Advisor on Workforce & Rural Initiatives – Tennessee Chamber of Commerce
Education foundations	Dr. Dan Challener	President – Public Education Foundation
Regional collectives and advocacy	Scott Niswonger	Chairman & Founder – Niswonger Foundation
	Dr. Nancy Dishner	President & CEO – Niswonger Foundation
Fiscal responsibility	Justin Owen	President & CEO – Beacon Center of Tennessee

Source: Tennessee Department of Education.

Appendix K: TISA steering committee membership

First TISA steering committee

Member	Title
Bill Lee	Governor
Butch Eley	Commissioner, Tennessee Department of Finance and Administration
Penny Schwinn	Commissioner, Tennessee Department of Education
Sen. Jack Johnson	Senate Majority Leader
Rep. William Lamberth	House Majority Leader
Sen. Ferrell Haile	Senate Speaker Pro Tempore
Sen. Jon Lundberg	Senate Education Chairman
Rep. Mark White	House Education Administration Chairman
Rep. Debra Moody	House Education Instruction Chairlady
Rep. Kirk Haston	House Education Administration K-12 Subcommittee Chairman
Sen. Bo Watson	Senate Finance, Ways, and Means Chairman
Rep. Patsy Hazlewood	House Finance, Ways, and Means Chairlady

Source: Tennessee Department of Education.

Second TISA steering committee

Member	Title
Sen. Jon Lundberg	Senate Education Chairman
Rep. Mark White	House Education Administration Chairman
Rep. Debra Moody	House Education Instruction Chairlady
Warren Wells	Member – State Board of Education
Bo Griffin	Director of Schools – Millington Municipal Schools
Cat Stephens	Director of Schools – Tullahoma City Schools
Steve Barnett	Director of Schools – Johnson City Schools
Justin Robertson	Director of Schools – Hamilton County Schools
Sara Carpenter	Executive Director – The Memphis Lift
Christy Carroll Highfill	Parent
Jennings Wilson	Parent
Jen Aprea	Parent; The Arc Tennessee
Melissa Collins	Teacher of the Year – Memphis-Shelby County Schools
Kyle Loudermilk	Principal of the Year – Kingsport City Schools
Guy Respess	Data Management Director – Knox County Schools
Teresa Winter	CFO – Bartlett City Schools
Nancy Dishner	Executive Director – Niswonger Foundation
Teresa Sloyan	Executive Director – Hyde Family Foundation
Victor Evans	Executive Director – TennesseeCAN
Jack Powers	Regional Legislative Director – ExcelinEd
Gini Pupo Walker	Executive Director – EdTrust

Source: Tennessee Department of Education.

Appendix L: TISA accountability report templates

2023-24 report template

Accountability Report Template

The Tennessee Investment in Student Achievement (TISA) public school funding formula marks a significant change in how Tennessee invests in public education. The TISA funding formula updates the way Tennessee funds public education for the first time in over 30 years to empower each student to read proficiently by third grade, prepare each high school graduate for postsecondary success, and provide resources needed for all students to ensure they succeed.

As part of TISA, T.C.A. § 49-3-112 requires each school district, starting in the 2023-24 school year, to submit an annual accountability report to the Tennessee Department of Education (department). This report must include:

- Goals for student achievement
  - One of the goals must include the district's plan to pursue the goal of seventy percent (70%) or more of the district's third grade students to score "met expectations" or "exceeded expectations" on the English Language Arts (ELA) portion of the TCAP tests. This goal must also detail the district's goal to increase 3rd grade ELA proficiency rates by 15% of the gap over the next three years (starting with the 2022-23 TCAP results) to achieve the district's stated goal of at least 70% of 3rd grade students proficient in ELA.[1]
- Explanation how the district's stated goals can be met within the district's budget.
- For reports submitted **starting in the 2024-25** school year, a description of how the district's budget and expenditures from the prior school year enabled the district to make progress toward the stated student achievement goals.

Each district's TISA accountability report is required to be presented to the public for review and comment before the report is submitted to the department. The report must be submitted annually to the department by November 1st.

Furthermore, each district's TISA accountability report is required to be reviewed annually by the TISA Progress Review Board pursuant to T.C.A. § 49-3-114 to determine whether the school district is taking the proper steps to achieve their stated goal.

This template is intended to assist districts in submitting their accountability reports to the department.

For questions, please contact tnedu.funding@tn.gov

Completed reports should be submitted in ePlan by **November 1, 2023.**

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[1] T.C.A. § 49-3-114 requires the TISA Progress Review Board to review district TISA accountability reports and set a district's minimum goal to increase the district's 3rd grade proficiency by 15% of the gap to 70% in 3 years, starting with the 2022-23 TCAP results. This does not apply to districts who have 70% or more of 3rd grade students proficient in ELA.

tn.gov/education/best-for-all/tnedufunding.html

DISTRICT INFORMATION

District Name		
Director of Schools Name		
District Point of Contact for TISA Accountability Report	Name	
	Phone Number	
	Email Address	
Percent of 3rd grade students who scored proficient ("met expectations" or "exceeded expectations") on the English Language Arts (ELA) portion of the spring TCAP		

DISTRICT GOAL STATEMENT(S)

Goal Statement 1: 3rd Grade ELA Proficiency[2]	% of students will score proficient on the 3rd grade ELA TCAP by year
Goal Statement 2:	
Goal Statement 3:	
Goal Statement 4:	
Goal Statement 5:	

[2] **Note:** This is a required goal pursuant to T.C.A. § 49-3-112 and must include 70% or more of 3rd grade students proficient on the ELA TCAP. If your district already has 70% or more of 3rd grade students proficient in ELA, please state a goal that either maintains or increases that proficiency rate.

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School Year	Annual Outcome(s)	Associated Metrics/Data	Action Steps This may include descriptions of district-based programs, staffing, and intervention services for students.	Describe how your district intends to use their budget to execute the action steps and meet the stated goal. *Optional:* Provide a copy of your district's budget when submitting this report to the department.
Goal Statement 1: 3rd grade ELA proficiency[3]				
Year 1: 2023-24 school year				
Year 2: 2024-25 school year				
Year 3: 2025-26 school year				
Year 4: 2026-27 school year				
Year 5: 2027-28 school year				
Goal Statement 2:				
Year 1: 2023-24 school year				
Year 2: 2024-25 school year				
Year 3: 2025-26 school year				
Year 4: 2026-27 school year				
Year 5: 2027-28 school year				
Goal Statement 3:				
Year 1: 2023-24 school year				
Year 2: 2024-25 school year				

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[3] The annual outcome for 3rd grade ELA proficiency must include, but is not limited to, the district's goal to increase 3rd grade ELA proficiency rates by 15% of the gap over the next 3 years, starting with the 2022-23 TCAP results, to achieve the district's stated goal of at least 70% of 3rd grade students proficient in ELA. If the district already has 70% or more of 3rd grade students proficient in ELA, it is not required to state in your annual outcomes the 15% gap closure, but must still detail annual outcomes and metrics to either maintain or increase your district's 3rd grade ELA proficiency rates and other stated district goals.

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School Year	Annual Outcome(s)	Associated Metrics/Data	Action Steps This may include descriptions of district-based programs, staffing, and intervention services for students.	Describe how your district intends to use their budget to execute the action steps and meet the stated goal. *Optional:* Provide a copy of your district's budget when submitting this report to the department.
Year 3: 2025-26 school year				
Year 4: 2026-27 school year				
Year 5: 2027-28 school year				
Goal Statement 4:				
Year 1: 2023-24 school year				
Year 2: 2024-25 school year				
Year 3: 2025-26 school year				
Year 4: 2026-27 school year				
Year 5: 2027-28 school year				
Goal Statement 5:				
Year 1: 2023-24 school year				
Year 2: 2024-25 school year				
Year 3: 2025-26 school year				
Year 4: 2026-27 school year				
Year 5: 2027-28 school year				

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Public Comment The TISA accountability report must be presented for public comment to parents, educators, and local community members prior to its submission to the department by November 1 each year.	
Date(s) of opportunity for local public comment.	
Description of public comment opportunities (e.g. collection of written comments, public hearing, local board meeting discussion, etc.)	
Summary of public comment received, if any.	
Description of how your district did or did not incorporate public comment received into the final accountability report submission.	

tn.gov/education/best-for-all/tnedufunding.html

Tennessee Investment in Student Achievement

2024-25 Accountability Report Template

The Tennessee Investment in Student Achievement (TISA) public school funding formula marks a significant change in how Tennessee invests in public education. The TISA funding formula updates the way Tennessee funds public education for the first time in over 30 years to empower each student to read proficiently by third grade, prepare each high school graduate for postsecondary success, and provide resources needed for all students to ensure they succeed.

As part of TISA, T.C.A. § 49-3-112 requires each school district, starting in the 2023-24 school year, to submit an annual accountability report to the Tennessee Department of Education (department). This report must include:

- Goals for student achievement
    - One of the goals must include the district's plan to pursue the goal of seventy percent (70%) or more of the district's third grade students to score "met expectations" or "exceeded expectations" on the English Language Arts (ELA) portion of the TCAP tests. This goal must also detail the district's goal to increase 3rd grade ELA proficiency rates by 15% of the gap over the next three years (starting with the 2022-23 TCAP results) to achieve the district's stated goal of at least 70% of 3rd grade students proficient in ELA.[1]
- Explanation how the district's stated goals can be met within the district's budget.
- For reports submitted **starting in the 2024-25** school year, a description of how the district's budget and expenditures from the prior school year enabled the district to make progress toward the stated student achievement goals.

Each district's TISA accountability report is required to be presented to the public for review and comment before the report is submitted to the department. The report must be submitted annually to the department by November 1st.

Furthermore, each district's TISA accountability report is required to be reviewed annually by the TISA Progress Review Board pursuant to T.C.A. § 49-3-114 to determine whether the school district is taking the proper steps to achieve their stated goal.

This template is intended to assist districts in submitting their accountability reports to the department.

For questions, please review the TISA Accountability Report Guidance document or contact tnedu.funding@tn.gov

Completed reports should be submitted in ePlan by **November 1, 2024.**

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[1] T.C.A. § 49-3-114 requires the TISA Progress Review Board to review district TISA accountability reports and set a district's minimum goal to increase the district's 3rd grade proficiency by 15% of the gap to 70% in 3 years, starting with the 2022-23 TCAP results. This does not apply to districts who have 70% or more of 3rd grade students proficient in ELA.

tn.gov/education/best-for-all/tnedufunding.html

DISTRICT INFORMATION

District Name	
Director of Schools Name	

District Point of Contact for TISA Accountability Report	Name	
	Phone Number	
	Email Address	

Percent of 3rd grade students who scored proficient ("met expectations" or "exceeded expectations") on the English Language Arts (ELA) portion of the most recent spring TCAP	

DISTRICT GOAL STATEMENT(S)

Goal Statement 1: 3rd Grade ELA Proficiency[2]	% of students will score proficient on the 3rd grade ELA TCAP by	year
Goal Statement 2:		
Goal Statement 3:		
Goal Statement 4:		
Goal Statement 5:		

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[2] *Note: This is a required goal pursuant to T.C.A. § 49-3-112 and must include 70% or more of 3rd grade students proficient on the ELA TCAP. If your district already has 70% or more of 3rd grade students proficient in ELA, please state a goal that either maintains or increases that proficiency rate.*
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Goal Statement 1 (3rd grade ELA proficiency):		
Year	**Annual Outcome Target(s)**	**Associated Metrics/Data**
Year 1: 2023-2024 school year (Use actuals)		
Year 2: 2024-2025 school year		
Year 3: 2025-2026 school year		
Year 4: 2026-2027 school year		
Year 5: 2027-2028 school year		
Reflection: Did your district meet its Year 1 outcomes target(s)? How will this impact your action plan for the coming years?		
Prior Year Report: What were the 2-3 major TISA investments you made in the prior year toward this goal? For each, please note the amount expended (rough estimate) and reflections on whether or not the investment contributed to progressing toward the goal or not, and how so.		

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Goal Statement 1 (3rd grade ELA proficiency): 72	
Action Plan: List detailed action steps or strategies for the 2024-2025 school year to meet your annual target.	
Budget Narrative: Describe how your district intends to use their budget to execute the action steps and meet the stated goal.	

Goal Statement 2:		73
Year	**Annual Outcome Target(s)**	**Associated Metrics/Data**
Year 1: 2023-2024 school year (Use actuals)		
Year 2: 2024-2025 school year		
Year 3: 2025-2026 school year		
Year 4: 2026-2027 school year		
Year 5: 2027-2028 school year		
Reflection: Did your district meet its Year 1 outcomes target(s)? How will this impact your action plan for the coming years?		
Prior Year Report: What were the 2-3 major TISA investments you made in the prior year toward this goal? For each, please note the amount expended (rough estimate) and reflections on whether or not the investment contributed to progressing toward the goal or not, and how so.		

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Goal Statement 2:	74
Action Plan: List detailed action steps or strategies for the 2024-2025 school year to meet your annual target.	
Budget Narrative: Describe how your district intends to use their budget to execute the action steps and meet the stated goal.	

Goal Statement 3:		75

Year	Annual Outcome Target(s)	Associated Metrics/Data
Year 1: 2023-2024 school year (Use actuals)		
Year 2: 2024-2025 school year		
Year 3: 2025-2026 school year		
Year 4: 2026-2027 school year		
Year 5: 2027-2028 school year		
Reflection: Did your district meet its Year 1 outcomes target(s)? How will this impact your action plan for the coming years?		
Prior Year Report: What were the 2-3 major TISA investments you made in the prior year toward this goal? For each, please note the amount expended (rough estimate) and reflections on whether or not the investment contributed to progressing toward the goal or not, and how so.		

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Goal Statement 3:	76
Action Plan: List detailed action steps or strategies for the 2024-2025 school year to meet your annual target.	
Budget Narrative: Describe how your district intends to use their budget to execute the action steps and meet the stated goal.	

Goal Statement 4:		77

Year	Annual Outcome Target(s)	Associated Metrics/Data
Year 1: 2023-2024 school year (Use actuals)		
Year 2: 2024-2025 school year		
Year 3: 2025-2026 school year		
Year 4: 2026-2027 school year		
Year 5: 2027-2028 school year		
Reflection: Did your district meet its Year 1 outcomes target(s)? How will this impact your action plan for the coming years?		
Prior Year Report: What were the 2-3 major TISA investments you made in the prior year toward this goal? For each, please note the amount expended (rough estimate) and reflections on whether or not the investment contributed to progressing toward the goal or not, and how so.		

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Goal Statement 4:	78
Action Plan: List detailed action steps or strategies for the 2024-2025 school year to meet your annual target.	
Budget Narrative: Describe how your district intends to use their budget to execute the action steps and meet the stated goal.	

Goal Statement 5:	79	
Year	**Annual Outcome Target(s)**	**Associated Metrics/Data**
Year 1: 2023-2024 school year (Use actuals)		
Year 2: 2024-2025 school year		
Year 3: 2025-2026 school year		
Year 4: 2026-2027 school year		
Year 5: 2027-2028 school year		
Reflection: Did your district meet its Year 1 outcomes target(s)? How will this impact your action plan for the coming years?		
Prior Year Report: What were the 2-3 major TISA investments you made in the prior year toward this goal? For each, please note the amount expended (rough estimate) and reflections on whether or not the investment contributed to progressing toward the goal or not, and how so.		

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Goal Statement 5:	80
Action Plan: List detailed action steps or strategies for the 2024-2025 school year to meet your annual target.	
Budget Narrative: Describe how your district intends to use their budget to execute the action steps and meet the stated goal.	

Public Comment

The TISA accountability report must be presented for public comment to parents, educators, and local community members prior to its submission to the department by November 1.

Date(s) of opportunity for local public comment.	
Description of public comment opportunities (e.g. collection of written comments, public hearing, local board meeting discussion, etc.)	
Summary of public comment received, if any.	
Description of how your district did or did not incorporate public comment received into the final accountability report submission.	

tn.gov/education/best-for-all/tnedufunding.html

Appendix M: TISA review committee

The TISA law requires the SBE to establish a TISA review committee beginning on January 1, 2026. The committee must be comprised of the following individuals:

Executive Director, State Board of Education	At least one member from each of the following groups (appointed by the SBE):
Commissioner, TN Department of Education	
Commissioner, TN Department of Finance & Administration	• Teachers
Comptroller of the Treasury	
Director, TN Advisory Commission on Intergovernmental Relations (TACIR)	• School boards
Chair, House Education Administration Committee	• Directors of schools
Chair, Senate Education Committee	• County governments
	• Municipal governments that operate districts
Director, Office of Legislative Budget Analysis, or the director's designee	• Finance directors of urban school systems
	• Finance directors of suburban school systems
	• Finance directors of rural school systems

Source: *TCA* 49-3-113.

State law requires the TISA review committee to meet at least four times a year to review the following:

- base funding,
- weighted funding,
- direct funding,
- outcomes funding, and
- any needed revisions, additions, or deletions to TISA.

The committee shall prepare an annual report on TISA by November 1 of each year that must include recommendations on needed revisions, additions, and deletions to TISA as well as an analysis of instructional salary, benefits, and other compensation disparity among districts.

Appendix N: TISA fast-growth funding allocations | FY 2023-24

School district	Amount
Bartlett City	$ 308,166
Bedford County	$ 2,876,044
Benton County	$ 151,037
Bradford SSD	$ 105,311
Bradley County	$ 651,301
Bristol City	$ 267,433
Cleveland City	$ 248,928
Collierville City	$ 1,868,479
Crockett County	$ 53,081
Cumberland County	$ 495,811
Davidson County	$ 4,563,439
Dayton City	$ 253,443
DeKalb County	$ 602,213
Elizabethton City	$ 165,075
Fentress County	$ 66,704
Hamblen County	$ 1,000,602
Hamilton County	$ 1,756,894
Hollow Rock - Bruceton SSD	$ 7,651
Humboldt City Schools	$ 138,631
Huntingdon SSD	$ 125,455
Lakeland City	$ 1,109,434
Lebanon SSD	$ 738,396
Lenoir City	$ 474,409
Lewis County	$ 681,110
Loudon County	$ 614,211
Macon County	$ 176,492
Madison County	$ 855,047
Maryville City	$ 159,661
Memphis-Shelby County Schools	$ 2,667
Milan SSD	$ 163,758
Monroe County	$ 35,814
Murfreesboro City	$ 640,437
Oak Ridge City	$ 770,886
Paris SSD	$ 81,241
Putnam County	$ 2,491,515
Rogersville City	$ 57,840

School district	Amount
Rutherford County	$ 6,864,089
Scott County	$ 48,538
Sevier County	$ 214,035
South Carroll SSD	$ 161,884
Sweetwater City	$ 107,735
Union City	$ 786,488
Union County	$ 782,637
Wilson County	$ 1,275,979
Total	**$ 35,000,000**

Note: Amounts are rounded to the nearest dollar.
Source: Tennessee Department of Education.

Appendix O: Change in state funding | FY 2022-23 to FY 2023-24

School districts	Actual dollar increase	% change
Anderson County	$ 7,429,410.90	21.18%
Clinton City	$ 764,917.90	14.26%
Oak Ridge City	$ 6,176,809.46	24.34%
Bedford County	$ 15,904,165.16	28.15%
Benton County	$ 2,558,010.56	18.92%
Bledsoe County	$ 1,464,815.97	11.55%
Blount County	$ 12,368,076.42	24.29%
Alcoa City	$ 2,695,963.16	25.23%
Maryville City	$ 5,633,981.84	20.85%
Bradley County	$ 13,975,752.33	24.78%
Cleveland City	$ 8,292,389.30	25.07%
Campbell County	$ 7,267,693.53	22.19%
Cannon County	$ 1,447,779.46	11.77%
Carroll County*[AP]	$ (173.13)	-0.01%
H Rock-Bruceton SSD	$ 878,972.77	20.23%
Huntingdon SSD	$ 1,896,630.60	23.14%
McKenzie SSD	$ 1,796,070.51	21.82%
South Carroll Co SSD	$ 492,360.37	23.25%
West Carroll Co SSD	$ 1,283,018.91	22.91%
Carter County	$ 4,996,814.73	16.34%
Elizabethton City	$ 2,849,783.74	17.10%
Cheatham County	$ 6,316,046.43	18.67%
Chester County	$ 3,293,503.86	16.85%
Claiborne County	$ 4,356,640.26	16.07%
Clay County	$ 732,525.92	9.13%
Cocke County	$ 5,923,666.61	21.50%
Newport City	$ 697,215.15	16.77%
Coffee County	$ 7,270,222.30	29.52%
Manchester City	$ 1,341,592.17	14.57%
Tullahoma City	$ 4,091,936.74	20.94%
Crockett County	$ 2,319,112.90	16.81%
Alamo City*	$ 163,149.45	3.92%
Bells City*	$ 93,942.65	3.36%

[AP] The FY 2023-24 TISA disbursements used to generate funding comparisons do not include payments TDOE made on behalf of districts for ACT funding. For example, TDOE paid $196.20 for ACT test administrations in Carroll County, which offsets the negative balance. Additionally, Carroll County School District does not operate a typical full-service district; it provides transportation, vocational education, and special education services to the five special school districts within Carroll County.

School districts	Actual dollar increase	% change
Cumberland County	$ 10,843,591.96	28.71%
Davidson County	$ 27,688,812.83	10.70%
Decatur County	$ 1,405,458.53	14.62%
DeKalb County	$ 4,162,059.24	22.07%
Dickson County	$ 9,707,056.19	22.86%
Dyer County	$ 3,477,801.86	15.54%
Dyersburg City	$ 3,657,589.62	24.87%
Fayette County*	$ 128,334.56	0.73%
Fentress County	$ 2,190,616.48	15.72%
Franklin County	$ 4,778,371.83	16.87%
Gibson County SSD	$ 4,705,832.09	18.92%
Humboldt City	$ 936,420.23	12.42%
Milan SSD	$ 1,991,833.54	15.19%
Trenton SSD	$ 1,344,117.51	15.30%
Bradford SSD	$ 303,532.97	6.74%
Giles County	$ 4,807,995.41	23.70%
Grainger County	$ 3,439,846.65	15.72%
Greene County	$ 8,092,560.65	22.82%
Greeneville City	$ 2,971,593.98	17.16%
Grundy County	$ 1,661,110.69	13.29%
Hamblen County	$ 14,257,535.56	23.96%
Hamilton County	$ 64,697,679.79	33.98%
Hancock County	$ 602,253.80	7.36%
Hardeman County	$ 4,170,798.72	19.13%
Hardin County	$ 4,712,682.55	26.25%
Hawkins County	$ 7,795,861.49	19.43%
Rogersville City	$ 637,305.57	16.05%
Haywood County	$ 2,402,939.04	13.44%
Henderson County	$ 5,596,734.67	21.66%
Lexington City	$ 813,148.12	14.49%
Henry County	$ 3,838,879.93	20.93%
Paris SSD	$ 1,453,017.56	15.65%
Hickman County	$ 1,020,660.16	4.34%
Houston County	$ 557,140.17	5.87%
Humphreys County	$ 3,038,104.31	19.02%
Jackson County	$ 727,085.63	6.29%
Jefferson County	$ 9,538,194.41	23.30%
Johnson County	$ 6,945,336.27	21.70%

School districts	Actual dollar increase	% change
Knox County	$ 62,483,808.33	24.75%
Lake County	$ 542,721.71	9.16%
Lauderdale County	$ 3,393,520.20	14.03%
Lawrence County	$ 10,784,756.79	24.60%
Lewis County	$ 1,892,655.63	17.77%
Lincoln County	$ 5,537,823.82	22.78%
Fayetteville City	$ 80,626.72	1.03%
Loudon County	$ 7,303,763.97	29.88%
Lenoir City	$ 3,725,291.45	27.86%
McMinn County	$ 8,395,352.15	30.40%
Athens City	$ 1,577,655.00	16.45%
Etowah City	$ 242,652.54	11.62%
McNairy County	$ 3,945,985.94	14.73%
Macon County	$ 6,038,876.37	20.95%
Madison County	$ 21,261,569.49	38.56%
Marion County	$ 5,586,246.20	25.06%
Richard City SSD*	$ 8,222.53	0.52%
Marshall County	$ 6,957,798.20	22.21%
Maury County	$ 18,951,421.70	29.25%
Meigs County	$ 2,062,461.07	16.81%
Monroe County	$ 6,597,439.11	21.75%
Sweetwater City	$ 1,251,141.60	14.00%
Montgomery County	$ 42,227,777.81	18.52%
Moore County	$ 82,657.92	1.58%
Morgan County	$ 2,867,148.73	13.67%
Obion County	$ 4,250,470.05	23.05%
Union City	$ 2,570,837.58	30.17%
Overton County	$ 3,582,301.49	17.64%
Perry County	$ 931,930.85	12.38%
Pickett County	$ 261,552.71	5.67%
Polk County	$ 2,252,681.34	15.49%
Putnam County	$ 15,714,166.64	25.16%
Rhea County	$ 4,932,200.14	19.16%
Dayton City	$ 1,245,640.52	24.29%
Roane County	$ 8,955,175.34	26.37%
Robertson County*	$ 696,864.89	0.80%
Rutherford County	$ 65,549,915.37	24.37%
Murfreesboro City	$ 7,351,197.82	13.79%

School districts	Actual dollar increase	% change
Scott County	$ 1,899,920.75	10.40%
Oneida SSD	$ 1,522,108.29	16.18%
Sequatchie County	$ 2,171,282.00	16.44%
Sevier County	$ 10,634,752.60	22.51%
Shelby County	$ 154,516,500.37	27.04%
Arlington City	$ 4,636,995.00	18.59%
Bartlett City	$ 9,566,975.01	20.50%
Collierville City	$ 11,099,170.96	22.66%
Germantown City	$ 5,009,427.02	15.98%
Lakeland City	$ 2,795,784.03	25.02%
Millington City	$ 3,144,709.18	22.90%
Smith County	$ 4,013,019.45	21.17%
Stewart County	$ 1,469,993.39	11.14%
Sullivan County	$ 11,317,155.68	27.99%
Bristol City	$ 5,768,170.06	31.05%
Kingsport City	$ 10,349,491.93	28.37%
Sumner County	$ 31,570,973.63	18.77%
Tipton County	$ 12,206,979.45	19.10%
Trousdale County	$ 992,140.03	10.48%
Unicoi County	$ 2,430,185.12	17.70%
Union County	$ 4,469,760.61	10.17%
Van Buren County	$ 605,827.98	10.67%
Warren County	$ 9,550,837.36	24.05%
Washington County	$ 10,962,942.68	28.40%
Johnson City	$ 9,140,594.38	25.05%
Wayne County	$ 1,136,324.07	7.36%
Weakley County	$ 5,222,552.72	21.85%
White County	$ 4,844,938.52	19.96%
Williamson County	$ 27,254,921.53	17.74%
Franklin SSD*	$ 286,283.89	1.92%
Wilson County	$ 21,655,798.16	21.88%
Lebanon SSD	$ 4,574,605.64	21.76%
Total	**$1,096,788,124.71**	**21.27%**

Note: (1) The FY 2022-23 BEP allocations include district disbursements for three grants (Safety, Coordinated School Health, and Family Resource Center). In FY 2023-24, the grants were included in the base allocation under TISA and are represented in the TISA budgetary code. (2) School districts with an asterisk received state (and local) BEP Transition funding in FY 2023-24.
Source: OREA analysis of TDOE data.

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