

TISA

Tennessee Investment in Student Achievement

Safety Net & BEP Transition Funding Training Module



Objectives

- Purpose of Support Funding
- 5% Safety Net
- BEP Transition Funding



Purpose of Support Funding

Significant shifts year to year in student data may impact funding allocations. Support funding provides for predictability by controlling how much funding may shift in a given year.

TISA includes two key provisions to support financial predictability:

- 1 5% Safety Net**
Any district that would experience more than a 5% decrease of funding from one year to the next qualifies for a safety net provision and will receive 95% of the funding from the prior year.
- 2 BEP Transition**
Any district that is slated to receive less funds in the first year of TISA will receive up to four years of gradual stepped down funding to provide time to adjust to the new allocations.

5% Safety Net

- This provision will go into effect beginning with TISA allocations for the 2024-25 school year.
- Eligibility is determined by comparing final TISA allocation with the prior year TISA allocation.
- Based on the two allocation totals funding of the base, weights, and direct funding lines. Outcomes funding is not included.
- Qualifying districts will then receive adjusted Safety Net allocations reflecting 95% of the prior year's TISA allocation.

EXAMPLE

Sample District	Funding
2024-25 TISA Allocation	\$59,000,000
2023-24 TISA Allocation	\$64,000,000
% Decrease	-7.8%
Eligible for Safety Net?	Yes
Application of Safety Net	\$64,000,000 x 95% =
2024-25 Safety Net Final Allocation	\$60,800,000

5% Safety Net *Continued*

- Eligibility test is conducted annually against each district's TISA allocations received in the prior year (including a safety net adjusted TISA allocation).
- Any district that projected themselves to qualify for this provision or not can plan on at least 95% of the funding from the prior year.



BEP Transition Funding



- Ensures districts receive at least as much funding in the first year of TISA, the 2023-24 school year, as was received in the 2022-23 school year
- Provides qualifying districts with up to four years of stepped down funding, giving the district time to adjust.

BEP Transition Funding

• Eligibility

- Determined if a district has a 2023-24 TISA allocation less than the district's baseline funding level from 2022-23 (inclusive of Coordinated School Health, School Safety, & Family Resource Center Grants)

• Stepped Down Funding

- For the 2023-24 school year, the district will receive the same amount of funding that it did for the prior year (100% of the gap to the baseline covered)
- Over the course of the next three school years, the district will receive scaled down funding
 - 2024-25: 75% of the gap to the baseline covered compared to 2024-25 TISA Allocation
 - 2025-26: 50% of the gap to the baseline covered compared to 2025-26 TISA Allocation
 - 2026-27: 25% of the gap to the baseline covered compared to 2026-27 TISA Allocation

Key Notes:

- If in any given year of the BEP transition funding, the district's TISA allocation exceeds the baseline, then the district will come off transition funding and be on the standard TISA allocation path.
- To qualify for BEP transition funding, the district must qualify in the first year of TISA implementation.
- A district on BEP transition funding may not also receive the safety net provision funding.

BEP Transition Funding

FY23 Baseline Breakdown		FY24 TISA Allocation (Pre-BEP Transition Funding)	
FY23 Baseline (Total)	\$29,000,000	FY24 TISA Allocation	\$26,500,000
FY23 Baseline (Local)	\$11,500,000	FY24 (Local)	\$10,600,000
FY23 Baseline (State)	\$17,500,000	FY24 (State)	\$15,900,000

BEP Transition Implementation

BEP Transition Funding Steps	Fiscal Year	BEP Transition Allocations (All)	BEP Transition - State	BEP Transition - Local
FY24: District is held harmless 100% back to baseline compared to FY24 TISA Allocation	FY24	Match Baseline Total	Match Baseline State	Match Baseline Local
FY25: District is held harmless 75% back to baseline compared to FY25 TISA Allocation	FY25	$(\text{Baseline Total} - \text{Projected FY25 All}) \times 75\% + \text{Projected FY25 All}$	$(\text{Baseline State} - \text{Projected FY25 State}) \times 75\% + \text{Projected FY25 State}$	FY25 BEP Transition Allocation All – FY25 BEP Transition Allocation State
FY26: District is held harmless 50% back to baseline compared to FY26 TISA Allocation	FY26	$(\text{Baseline Total} - \text{Projected FY26 All}) \times 50\% + \text{Projected FY26 All}$	$(\text{Baseline State} - \text{Projected FY26 State}) \times 50\% + \text{Projected FY26 State}$	FY26 BEP Transition Allocation All – FY26 BEP Transition Allocation State
FY27: District is held harmless 25% back to baseline compared to FY27 TISA Allocation	FY27	$(\text{Baseline Total} - \text{Projected FY27 All}) \times 25\% + \text{Projected FY27 All}$	$(\text{Baseline State} - \text{Projected FY27 State}) \times 25\% + \text{Projected FY27 State}$	FY27 BEP Transition Allocation All – FY27 BEP Transition Allocation State
FY28: District receives FY28 TISA Allocation	FY28	FY28 TISA All	FY28 TISA State	FY28 TISA Local

BEP Transition Funding

FY23 Baseline Breakdown		FY24 TISA Allocation (Pre-BEP Transition Funding)	
FY23 Baseline (Total)	\$29,000,000	FY24 TISA Allocation	\$26,500,000
FY23 Baseline (Local)	\$11,500,000	FY24 (Local)	\$10,600,000
FY23 Baseline (State)	\$17,500,000	FY24 (State)	\$15,900,000

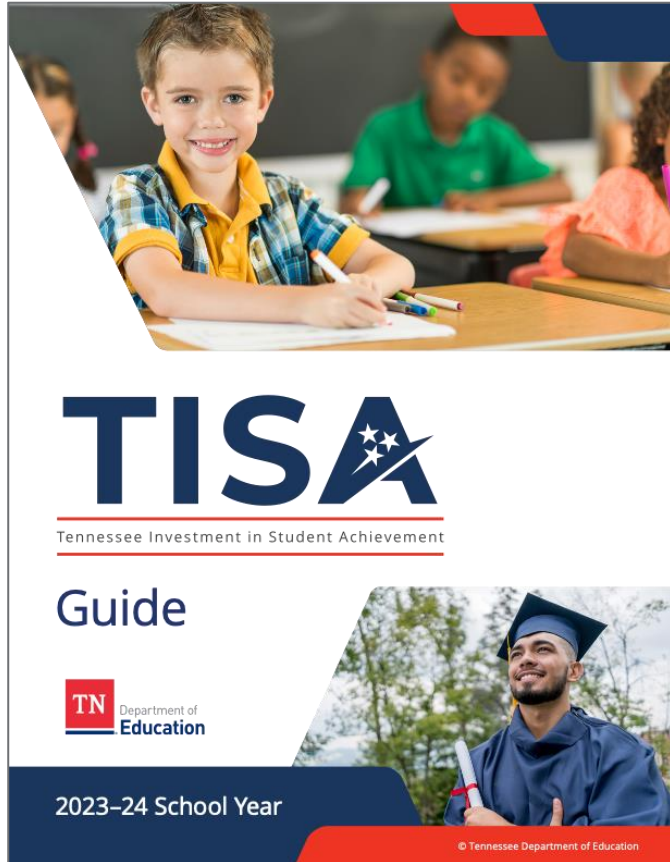
BEP Transition Funding Steps	TISA Projected Allocations for Each FY			Fiscal Year	BEP Transition Implementation		
	Projected TISA Allocations (All)	Projected TISA Allocation - State	Projected TISA Allocation - Local		BEP Transition Allocations (All)	BEP Transition - State	BEP Transition - Local
FY24: District is held harmless 100% back to baseline compared to FY24 TISA Allocation	\$26,500,000	\$15,900,000	\$10,600,000	FY24	\$29,000,000	\$17,500,000	\$11,500,000
FY25: District is held harmless 75% back to baseline compared to FY25 TISA Allocation	\$26,400,000	\$15,850,000	\$10,550,000	FY25	\$28,350,000	\$17,087,500	\$11,262,500
FY26: District is held harmless 50% back to baseline compared to FY26 TISA Allocation	\$26,300,000	\$15,800,000	\$10,500,000	FY26	\$27,650,000	\$16,650,000	\$11,000,000
FY27: District is held harmless 25% back to baseline compared to FY27 TISA Allocation	\$26,150,000	\$15,750,000	\$10,400,000	FY27	\$26,862,500	\$16,187,500	\$10,675,000
FY28: District receives FY28 TISA Allocation	\$26,000,000	\$15,700,000	\$10,300,000	FY28	\$26,000,000	\$15,700,000	\$10,300,000

Putting it All Together

- Under TISA, the fiscal implications of significant shifts in student populations are mitigated through the two provisions of the 5% safety net and the BEP transition funding.
- Districts qualifying for either of these provisions will be notified through their TISA estimates and final allocations.



More Information



<https://www.tn.gov/education/best-for-all/tnedufunding.html>

- Safety Net & BEP Transition Funding Quick Guide
- BEP Transition Funding – Sample Excel Workbook

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