



# TISA

Tennessee Investment in Student Achievement

## Guide



2023-24 School Year

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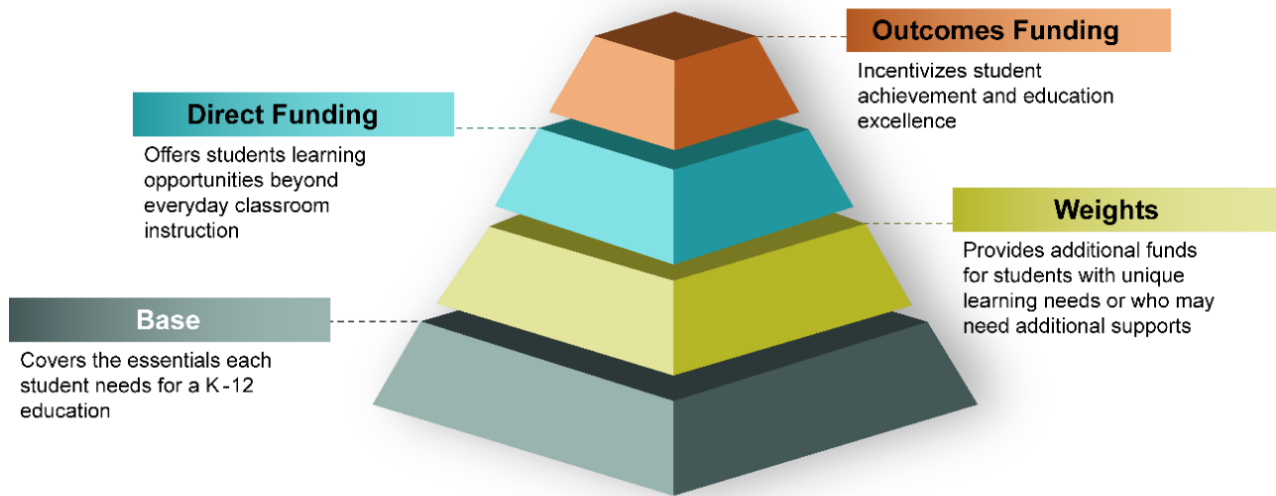
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# Introduction

## About TISA

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 to all students to ensure they succeed. TISA includes:

- **Base funding** amount provided for every public-school student;
- **Weighted funding** to address individual student needs like those students who may be low-income or attend schools with concentrated poverty, English Learners, students with disabilities, have characteristics of dyslexia, or live in a sparse or small community;
- **Direct funding** intended to support students in key priority areas like early literacy, career and technical education (CTE) programming, and postsecondary readiness; and
- **Outcomes funding** based on student achievement to empower districts and schools to help all students reach their full potential.



The TISA funding formula is a funding plan, not a spending plan. Districts maintain the local autonomy to use funds to best serve local needs.

## Purpose of the TISA Guide

The TISA guide outlines in detail all components of the TISA formula, with information on data collection, formula calculation, and answers to frequently asked questions. This guide is intended to support school districts in collecting and submitting data to the Tennessee Department of Education (the department) to implement TISA and is not intended to guide how districts must use TISA funds.

**With TISA, funding is allocated to districts based on the students they serve, and districts have the local discretion on how funds are spent.<sup>1</sup>**

Pursuant to T.C.A. § 49-3-103(d), the department is required to annually publish the TISA Guide that includes at minimum, the following information:

- Data the department must receive from each local education agency (LEA) for purposes of administering TISA;
- Directions on how and when the required data must be submitted to the department;
- Procedures for LEAs to dispute an alleged error in an allocation made to the LEA;
- The requirement that the comptroller must not approve a local government budget that fails to include the local contribution; and
- LEAs that qualify as a sparse LEA or a small LEA.

The TISA guide is intended to be a resource to LEAs, schools, and educators, and the department welcomes input from all stakeholders on additional information to be included in the guide. This guide will be updated as more information becomes available.

## The TISA Formula

### ***Average Daily Membership (ADM)***

For almost all elements of the funding formula, a calculation called **Average Daily Membership (ADM)** is used to capture student counts. Rather than measuring raw numbers of students, ADM considers a student's enrollment and daily class assignment for each of nine reporting periods throughout the year, each lasting approximately 20 instructional days of each LEA's school calendar. The ADM measure

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<sup>1</sup> While LEAs have local discretion in spending TISA funds, T.C.A. § 49-3-105(e) and Tennessee Investment in Student Achievement Rule 0520-12-05-.14 specifies that any annual increase in the TISA base funding amount may be restricted by the Tennessee General Assembly for the sole purpose of providing salary increases to existing educators. More information about these requirements can be found in the Educator Salary Increases section of this guide.

is one of the core data elements of the TISA formula with versions of the measure informing the base, weights, and most of the direct funding lines.

The table below provides examples of the calculation of ADM within a given period.

Sample Student Enrollment & Class Assignment	Period ADM Value
Student is enrolled for all of the 20 days in a given reporting period with a full class schedule	1
Student enrolls halfway into the reporting period with a full class schedule	.5
Student has a truncated daily schedule, say due to early dismissal for a senior, and the student is assigned three classes on a four-block schedule	.75

In the ADM calculation, the decimal place results do not represent a partial student, but rather a partial enrollment and/or class assignment schedule. ADM is also not an attendance measure.

For the TISA formula, the ADM values are generated for a student for each relevant funding line for each of the 9 reporting periods, and then all 9 reporting periods are averaged together at the end of the year to be used in the formula. Data from every day of the academic year is used to drive the formula.

By using all 9 reporting periods, the TISA formula captures student mobility on the day of the shift, rather than generalizing to less granular views. For example, if a student transfers from LEA A to LEA B halfway through a reporting period, the student will generate 0.5 ADM for LEA A and 0.5 for LEA B for that given reporting period. This ensures LEAs are funded for the students actually being served.

It is important to note that the **TISA funding formula relies on the prior year data to drive subsequent year allocations**. This means data from the 2022-2023 school year generates the funding to be allocated for the 2023-2024 school year.

# Base Funding

## About the Base

Every K-12 public school student generates a base funding amount to cover students’ primary education needs. The base funding serves as a launchpad for students, accounting for elements such as teachers, school counselors, principals, facility operations and much more. Schools are allocated base funding for each of their students, offering each student in Tennessee—whether they live in an urban, suburban or rural community—a firm education foundation.

## ***Base – Data & Calculation***

### ***Inputs***

An LEA's base funding is determined by prior year ADM, a measure of student enrollment and assigned class schedule, averaged across all nine reporting periods (~20 instructional days) of the school year. Students who have primary enrollments in grades K-12 and receive instructional service are included in the ADM calculation.

LEAs report student enrollment and assigned class schedule on a daily basis through local student information systems (SIS) to the state's Education Information System (EIS). Reports are available in EIS to review ADM and to inform any necessary adjustments in LEA's local systems.

### ***Funding***

The base funding amount is subject to annual appropriations by the Tennessee General Assembly. For the 2023-24 TISA allocations, the base funding amount is **\$6,860 per ADM**.

### ***Calculation***

(Student ADM 9 Period Average) \* (Base Funding Amount) = Base Funding Generated by Student

## **Weighted Funding**

### ***About the Weights***

In addition to the base funding amount, TISA provides additional dollars to students based on their individual needs, also known as weighted funding. Weights are presented as a percentage of the base funding amount as specified in T.C.A. § 49-3-105. To calculate the funding value of the weight, the weight percentage is multiplied by the base funding amount of \$6,860 for the 2023-24 school year, which results in the dollar value attributed to that weight. Additional detail is provided below on each student-based TISA weight, the data points used to determine qualifying students, and the calculation.

Note that students may qualify for multiple weights and generate funding for each.

### ***Economically Disadvantaged***

#### ***About the Economically Disadvantaged Weight***

For the purposes of TISA funding, "economically disadvantaged" (ED) is defined in law as a student identified as experiencing homelessness, foster care, unaccompanied youth, or migrant status, or a student meeting the direct certification eligibility guidelines established pursuant to 42 U.S.C. §§ 1751-



1769, usually related to receiving SNAP or TANF supports. This definition is in alignment with Tennessee's Every Student Succeeds Act (ESSA) plan.

## ***Economically Disadvantaged - Data & Calculation***

### **Inputs**

#### **Student Classification**

Students generate funding for the economically disadvantaged weight based on student classifications in the LEA's Student Information System (SIS) using the following codes that are reported nightly to the state, along with student membership data:

- Direct certification of economic disadvantage (J)
- Foster care (FOS01)
- Homeless (H)
- Migrant (I)
- Runaway (U)

Students who qualify for more than one of these codes are counted once in the TISA calculation. All classifications are treated the same for funding purposes under the ED weighted funding.

#### **Student Classification – Service Period**

Alongside each student classification for economically disadvantaged, data reflecting the start and end date of each classification is also pulled from data reported in district's SIS. The service begin and end dates capture the period of the school year, and by default the days of each reporting period, that the student was assigned the specific student classification.

#### **Economically Disadvantaged ADM (ED ADM)**

This data is then used to determine an economically disadvantaged averaged daily membership (ED ADM) for each identified student by reporting period. ED ADM data for all nine reporting periods is averaged together to generate the final ED ADM used for each student in the economically disadvantaged weighted funding.

A student's ED ADM may not match their base ADM as it is calculated from the student's date of eligibility for the classification code, not by their date of enrollment in the LEA. For example, Student A may enroll on September 1, but not be determined to meet the eligibility requirements for direct certification until January 1; therefore, the student's base ADM would differ from the student's ED ADM.



### **Funding**

The weighted allocation for a student who is classified as economically disadvantaged is twenty-five percent (25%) of the base amount.

### **Calculation**

(ED ADM 9 Period Average) \* (Base Funding Amount) \* 25% = ED Funding Generated

## **Concentrated Poverty**

### ***About the Concentrated Poverty Weight***

For the purposes of TISA funding, “concentrated poverty” means that a student is a member in a school that is eligible for Title I schoolwide designation.<sup>3</sup> In accordance with Tennessee’s ESSA plan, schools are eligible for this designation if the schoolwide poverty rate is equal to or greater than 40%.

Concentrated poverty does not include students who are members of schools that are eligible for Title I schoolwide designation based on waivers and grandfather status. New schools that are not eligible for the Title I schoolwide designation do not qualify as concentrated poverty schools. Schools not included in an LEA’s Title I spiraling work, such as adult high schools, do not qualify as concentrated poverty schools because they are not eligible for the Title I schoolwide designation.

### ***Concentrated Poverty - Data & Calculation***

#### **Inputs**

##### **Schoolwide Poverty Data**

Title I – Schoolwide eligibility status is determined annually by the poverty data that LEAs submit in their consolidated funding applications (CFAs) in ePlan. In their CFAs, LEAs report poverty data through one of three methods: direct certification, direct certification x 1.6 multiplier, or free and reduced-price lunch (FRPL). From this reporting, each school’s poverty rate is calculated in ePlan according to the LEA’s selected methodology. The adjusted poverty count and rate are used to determine Title I eligibility status and the spiraling of funds. TISA uses the adjusted poverty rate to identify schools with concentrated poverty.

CFAs are submitted March through May and approved by July 1 each year.

The adjusted poverty rates by school are publicly available in ePlan for every LEA by navigating to the LEA’s most recently approved consolidated funding application. As with all TISA inputs, the schoolwide poverty data is used from the prior year to inform the subsequent year allocations.

*ePlan Navigation:* Funding > Funding Applications > Consolidated > Title I, Part A, School Eligibility Review poverty rates in “Adjusted Percent” column for the data used in the concentrated poverty weight determinations.

#### Concentrated Poverty ADM (Base ADM of Eligible Students)

All students enrolled in schools identified as concentrated poverty generate the weighted funding for this element. The TISA formula uses each student’s base funding ADM generated at an identified school to drive the funding allocation (CP ADM).

#### **Funding**

The weighted allocation for a student who experiences Concentrated Poverty is five percent (5%) of the base amount.

#### **Calculation**

(CP ADM 9 Period Average) \* (Base Funding Amount) \* 5% = CP Funding Generated

## **Small District**

### ***About the Small District Weight***

For the purposes of TISA funding, “small district” is defined in law as an LEA with a student membership of 1,000 or fewer students. Appendix B includes the list of districts who qualify for the small district weight for 2023-24 TISA allocations.

### ***Small District - Data & Calculation***

#### **Inputs**

##### Base ADM

Final determination of small district status will be based on the LEA’s total nine period average ADM at the end of the year. The counts for this funding line will always match the base funding ADM counts if a district qualifies for the weight.

#### **Funding**

A student enrolled in a small district generates a weighted allocation of five percent (5%) of the base amount.

#### **Calculation**

(Small ADM 9 Period Average) \* (Base Funding Amount) \* 5% = Small District Funding Generated

## **Sparse District**

### ***About the Sparse District Weight***

For the purposes of TISA funding, “sparse district” is defined in law as a county LEA located in a county with fewer than 25 students per square mile. Appendix C includes the list of LEAs who qualify as a sparse district for 2023-24 TISA allocations.

### ***Sparse District - Data & Calculation***

#### ***Inputs***

##### County LEA Status

Under the TISA law, only county LEAs, are eligible for review for sparse status. LEAs that are municipal and special school districts that operate within a county are thus not eligible for this weighted funding.

##### County Square Mileage

The sparse weight uses square mileage data pulled from the U.S. Census Bureau Geography Division based on its TIGER/Geographic Identification Code Scheme (TIGER/GICS) computer file. A list of all counties’ square mileage used in the sparse funding determinations is available on the department’s website.

##### Base ADM

Final determination of sparse district status will be based on the LEA’s total nine period average ADM at the end of the year. The counts for this funding line will always match the base funding ADM counts if a LEA qualifies for the weight.

#### ***Funding***

A student enrolled in a sparse district generates a weighted allocation of five percent (5%) of the base amount.

#### ***Calculation***

$(\text{Sparse ADM 9 Period Average}) * (\text{Base Funding Amount}) * 5\% = \text{Sparse District Funding Generated}$

### ***Unique Learning Needs (ULN)***

TISA includes weights for students with unique learning needs (ULNs). Students with ULNs may generate funding under multiple weighted categories, depending on the supports each student needs. Both the TISA law and the TISA rule set the structure and operations of the ULNs. T.C.A. § 49-3-105 creates ten levels of ULNs and assigns the percentage weight that each ULN generates. The TISA Rule

0520-12-05-.04 assigns categories of student needs to each ULN based on the additional resources required to support each ULN.

In the TISA rule, three student subgroups are identified for ULN assignments—students with disabilities, English Learners, and students with Characteristics of Dyslexia. For the first two student subgroups, the rule further differentiates ULN assignments based on need levels. For each subgroup, the initial eligibility for the ULN weight relies on both:

- An assessment for identification of needs, and
- A plan for providing services to support those needs.

The assessment and plan required for each subgroup will be noted in the sections below. More information on assessment, plans, and monitoring protocols for each subgroup is available on both the department’s and the State Board of Education’s websites.

Once a student has been categorized into a ULN, the student’s ADM, for the period of service will be used to determine the multiplier against the designated ULN weight and base funding. The ADM value for each ULN runs from the time a student’s plan is in place under a given ULN until such time as it is no longer assigned. If a student’s status changes during the year, the ULN and ADM value will follow suit.

Depending on their needs, students may generate up to four ULN codes:

- Special Education Primary Option Code;
- Special Education Secondary Option Code;
- English Learner Tier; and/or
- Characteristics of Dyslexia.

Students may generate the same ULN code more than once if they meet multiple criteria. For example, if a student is a Tier 1 English Learner and has Characteristics of Dyslexia, then they will qualify for ULN 2 funding twice and receive the 20% weights twice, representing each qualification.

The table below lists the ULNs with the assigned weight and the descriptions of qualifying student needs.

ULN	Weight	ULN Descriptions
ULN 1	15%	Special Education Option Code 1
ULN 2	20%	<ul style="list-style-type: none"><li>• Special Education Option Code 2</li><li>• English Learner Tier 1</li><li>• Characteristics of Dyslexia</li></ul>

ULN	Weight	ULN Descriptions
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%	<ul style="list-style-type: none"> <li>• Special Education Option Code 7</li> <li>• Special Education Option Code 8</li> </ul>
ULN 10	150%	<ul style="list-style-type: none"> <li>• Special Education Option Code 9</li> <li>• Special Education Option Code 10</li> </ul>

## Special Education

### *About the Special Education ULN Weights*

Students with disabilities qualify for additional weighted funding based on the services and hours determined in their Individualized Education Program (IEP). To be eligible for special education services, an initial evaluation must be conducted, and an IEP must be established as the service plan for the student in accordance with federal and state special education law. These services and hours capture the instructional supports needed by the student as determined by the IEP team and entered into the state's student plan system (EasyIEP in the 2022-23 school year; TN PULSE in the 2023-24 school year). The services and hours are then translated into funding categories via the following process:

1. IEP team documents services and hours in the state's student plan system.
2. Services and hours are cross walked into Special Education Option Codes in the state system.
3. Option Codes are assigned to ULNs based on the TISA Rule.

A student may generate both a primary and secondary option code, depending on the amount and type of service hours needed. For the funding formula, both the primary and secondary option codes, if applicable, generate funding for the student.

The TISA funding formula does not alter how IEPs operate; the application of ULNs to special education data points relies on data generated from these service processes. Educators should continue to follow all requirements outlined in state and federal law and regulations, including ensuring students with disabilities are educated in their least restrictive environments.

Additional information on requirements of IEPs is available on both the department’s website and the State Board of Education’s website.

### ***Special Education – Data & Calculation***

<b>Special Education Option Code</b>	<b>Services &amp; Hours Descriptions</b>
<b>Option 1</b>	Consultation - Minimum of 2 contacts/month, except OT/PT (minimum of 3 contacts/year). Time must be reported. Direct Services equal to or less than 1 hour/week. Related Services equal less than 1 hour/week.
<b>Option 2</b>	Direct Services more than or equal to 1, but less than 4 hours/week; or any one Related Service more than or equal to 1, but less than 4 hours/week.
<b>Option 3</b>	Direct Services more than or equal to 4, but less than 9 hours/week; or any one Related Service more than or equal to 4, but less than 9 hours/week.
<b>Option 4</b>	Direct Services more than or equal to 9, but less than 14 hours/week; or any one Related Service more than or equal to 9, but less than 14 hours/week.
<b>Option 5</b>	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.
<b>Option 6</b>	Ancillary Services - Attendant provided so that the student can have at least 4 hours/day in less restrictive and general education settings.
<b>Option 7</b>	Direct Services - Special Education services 23 or more hours/week; or, any one Related Service 23 or more hours/week.
<b>Option 8</b>	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. <ul style="list-style-type: none"> <li>• 1 Hour/Week: Psychological Services, Counseling Services, Speech/Language Services, Vision Services, Hearing Services</li> <li>• 3 contacts/year, with time span reported: Occupational Therapy, Physical Therapy</li> </ul>
<b>Option 9</b>	Residential Services - Provided at least 24 hours/day.
<b>Option 10</b>	Hospital/Homebound - Provided 3 or more hours/week.

## **Inputs**

### **Special Education Option Codes**

As IEP teams enter services and hours into the state's IEP platform, the supports are converted into special education option codes using the table below. Note, this crosswalk is consistent with prior years and assigns the same option codes to services/hours as generated in the prior funding formula.

All special education option code data is pulled from EIS for the purpose of TISA. While LEAs enter the data into the state's IEP platform, the information is pushed into EIS to be merged with ADM data. Both the state's IEP platform and EIS have reporting views for LEAs to review special education data points.

### **Special Education Option Code ULN Assignments**

After determining a student's special education option code(s) from the IEP, the option codes are then converted to their ULN assignments following the TISA Rule. The table provided in the funding section below includes the cross walk of option codes to ULN assignments.

Please note that option codes are not direct matches to their ULN assignments.

### **Special Education ADM**

Special education ADM (SPED ADM) is calculated based on the service period the student generated a given ULN. The beginning and end date of services is pulled from the state's student plan system into EIS to generate SPED ADM. A student may generate SPED ADM in two different ULNs for the same period of time if the student has both a primary and secondary option code. Similarly, if a student's IEP meeting occurs in the middle of a reporting period and services shift the student's ULN, the SPED ADM reported within that period would reflect the pro-rated amount of the period the student was served under each ULN.

For example, if a student's IEP meeting is held ten days into a twenty-day reporting period, and the new services move the student from a ULN 1 to a ULN 2, then the student would generate a SPED ADM of .5 under ULN 1 and a SPED ADM of .5 under ULN 2 for that reporting period.

## **Funding**

A student with disabilities generates a weighted allocation ranging from fifteen percent (15%) to one hundred fifty percent (150%) of the base amount, depending on the ULN assignment.



Special Education Option Code	ULN Assignment	ULN Weight
Option 1	ULN 1	15%
Option 2	ULN 2	20%
Option 3	ULN 3	40%
Option 4	ULN 6	75%
Option 5	ULN 7	80%
Option 6	ULN 8	100%
Option 7	ULN 9	125%
Option 8	ULN 9	125%
Option 9	ULN 10	150%
Option 10	ULN 10	150%

**Calculation**

(ULN SPED ADM 9 Period Average) \* (Base Funding Amount) \* (ULN Weight) = ULN Special Education Funding Generated

## English Learners

### ***About the English Learners ULN Weights***

The TISA rule sets three tiers of English Learners (EL), placing students in each tier based on three data points: EL status, years of English as a Second Language (ESL) services, and WIDA scores. To be eligible for the EL tiering, a student must be initially identified for services through a home language survey and entry screener and progress monitored using the WIDA assessment. The student must also have an established Individual Learning Plan (ILP) entered in the state’s student plan system (required in 2023-24 in TN PULSE). After determining eligibility, ELs are placed in one of the three tiers aligned to levels of support.

The TISA funding formula does not alter how ILPs operate or any relevant state or federal regulations related to English Learners. Educators must continue to follow legal requirements and are encouraged to follow best practices for the identification, planning, and services for EL students.

Additional information on requirements of ILPs is available on both the department’s website and the State Board of Education’s website.

## ***English Learners – Data & Calculation***

### ***Inputs***

#### ***English Learner Status***

Student classification data for EL students is pulled from EIS to inform the tiering process. Eligible students include the following codes reported from LEAs:

- Direct services (L)
- Indirect services / Waived (W)
- Transition Year 1 (T1)
- Transition Year 2 (T2)

Beyond EL students receiving direct services, students receiving indirect services due to a parent/guardian waiving direct services also qualify for the tiering process. EL students continue to qualify for the tiering process for the first and second year after they exit from ESL services as well.

#### ***ESL Years of Service***

A student's year of ESL services are pulled through two different methods. First, LEAs may directly enter the years of ESL services a student has received into their local student information system. This data is then pulled from EIS to be used in the tiering process. Second, the state runs an audit on EIS historical data to generate the number of years a student has received ESL services in the state of Tennessee. The two counts are compared, and the higher of the two is used in the tiering process. This allows the more robust data source to inform the tiering. In some instances, LEAs may not have sufficient information from other LEAs in state to capture the right number of service years. In other instances, the LEA may have more nuanced data on a student transferring in from out of state. By using the higher of the two counts, the tiering process is informed by the most accurate information available. Both counts are displayed in the student files shared with LEAs throughout the TISA projections and final allocations processes.

#### ***WIDA Scores***

Every EL student's spring WIDA scores are pulled from the prior year state assessment files to inform the tiering process. These scores reflect assessment data shared with LEAs at the close of assessment reporting windows.

### English Learner Tiers

The TISA Rule establishes a process driven by the inputs listed above to place each eligible EL student into one of three tiers. The assignment of EL students to tiers is reflected in the table below.

English Learner Tier	Descriptions
<b>Tier 1</b>	<ul style="list-style-type: none"><li>• Student receives indirect services (W), <b>OR</b></li><li>• Student is in Transition Year 1 (T1) or Transition Year 2 (T2), <b>OR</b></li><li>• Long-term English Learners (7 or more years of ESL services)</li></ul>
<b>Tier 2</b>	<ul style="list-style-type: none"><li>• Student receives direct ESL services (L), <b>AND</b></li><li>• Meets one of the following:<ul style="list-style-type: none"><li>○ Received ESL services for 4 or more years, <b>OR</b></li><li>○ Scored above a 3 on WIDA</li></ul></li></ul>
<b>Tier 3</b>	<ul style="list-style-type: none"><li>• Student receives direct ESL services (L), <b>AND</b></li><li>• Received ESL services for a maximum of 3 years, <b>AND</b></li><li>• Scored a 3 or lower on WIDA</li></ul>

### English Learner Tiers ULN Assignments

After determining a student's EL Tier, the tiers are then converted to their ULN assignments following the TISA Rule. The table provided in the funding section below includes the cross walk of option codes to ULN assignments.

Please note that EL tiers are not direct matches to their ULN assignments.

### EL ADM

English Learner ADM (EL ADM) is calculated based on the service period the student generated a given ULN. The beginning and end date of services is pulled from the state's student plan system into EIS to generate EL ADM. For the 2022-23 school year, this information was captured based on the dates tied to the student classifications. If a student shifts EL status within a year, thus shifting the student's generated ULN associated with being an EL, the EL ADM will shift accordingly. For example, if a parent opted to waive services fifteen days into a twenty-day reporting period, the student would generate a .25 EL ADM for ULN 2 for the reporting period, reflecting the five days of waived services. The remainder of the period would align to the ULN generated prior to the parent waiving services.

### Funding

These three tiers of ELs are then placed into ULNs in alignment with mapping laid out in the TISA rule:

EL Tier	ULN Assignment	ULN Weight
EL Tier 1	ULN 2	20%
EL Tier 2	ULN 4	60%
EL Tier 3	ULN 5	70%

**Calculation**

- **EL Tier 1:** (ULN 2 EL 9 Period Average) \* (Base Funding Amount) \* 20% = ULN 2 EL Funding Generated
- **EL Tier 2:** (ULN 4 EL ADM 9 Period Average) \* (Base Funding Amount) \* 60% = ULN 4 EL Funding Generated
- **EL Tier 3:** (ULN 5 EL ADM 9 Period Average) \* (Base Funding Amount) \* 70% = ULN 5 EL Funding Generated

## Characteristics of Dyslexia

### ***About the Characteristics of Dyslexia ULN Weight***

For the purposes of TISA funding, “characteristics of dyslexia” means a student who meets the following assessment criteria:

- Grades K-3: The student falls below the 25th percentile on the composite score of the Tennessee universal reading screener (provided by the department) or a State Board of Education approved screener as a nationally normed, skills-based screener.
- Grades 4-8: The student falls below the 25th percentile on the composite score on a nationally normed, skills-based universal reading screener.
- Grades 9-12: The LEA’s Early Warning System detects that a student might be at-risk for a reading deficit and the student displays deficits in 50% or more of the grade-appropriate subtests identified by Tennessee’s Minimum Universal Reading Screening Matrix.

The student, regardless of grade, must also display deficits in fifty percent (50%) or more of the grade-appropriate subtests identified by the state’s Minimum Universal Reading Screening Matrix.

Additionally, all students must have a finalized Dyslexia Individualized Learning Plan (ILP-D) entered in the state’s student plan system, and the student’s teacher and parent(s) or guardian(s) must observe and agree that the student has characteristics of dyslexia to be eligible for this ULN weight. For the 2023-24 TISA allocations, a count of 5% of all base ADMs generated for a district will also generate funding for characteristics of dyslexia to support the first full implementation year of ILP-Ds in the new state student plan system.

It is important to note that characteristics of dyslexia is not the same thing as a specific learning disability in reading. Students whose parent/guardian declines an ILP-D, or a student who has or is later determined to qualify for an IEP to support deficiencies in the areas of basic reading, reading fluency, or reading comprehension do not also qualify for the characteristics of dyslexia ULN.

Additional information on requirements of ILP-Ds is available on both the department's website and the State Board of Education's website.

## ***Characteristics of Dyslexia - Data & Calculation***

### **Inputs**

In future school years, students will generate this allocation if they meet the criteria listed above. LEAs will enter ILP-Ds directly into the state's student plan system, TN PULSE, which will push data into EIS. This will include relevant assessment data used to identify students, some of which is shared directly with the state for the purposes of the universal reading screener.

### **Characteristics of Dyslexia ADM (CoD ADM)**

For the 2023-2024 school year allocations, all LEA inputs for characteristics of dyslexia will be set at five percent (5%) of the LEA's overall base ADM. This is intended to allow time for the full implementation of ILP-Ds and data tracking systems.

In future years, characteristics of dyslexia ADM (CoD ADM) is calculated based on the service period the student generated the given ULN. The beginning and end date of services is pulled from the state's student plan system into EIS to generate CoD ADM.

### **Funding**

A student who meets the criteria for characteristics of dyslexia, a ULN 2 category, generates a weighted allocation of twenty percent (20%) of the base amount.

### **Calculation**

$(\text{CoD ADM 9 Period Average}) * (\text{Base Funding Amount}) * 20\% = \text{ULN 2 Funding Generated}$

# Direct Funding

## ***About Direct Funding***

In addition to the base and weights, students may also generate funding under direct funding categories through TISA. These include targeted funding support for the following categories of students:

- Students in grades K-3 to support early literacy;
- Rising 4<sup>th</sup> grade students in need of additional literacy supports;
- Career and Technical education students;
- Students taking post-secondary readiness assessments (ACT); and
- Public charter school students.

Direct funding amounts are generally flat funding amounts and provided on a per student basis. Aside from the rising 4<sup>th</sup> grade supports direct funding line, all direct funding lines are multiplied by the corresponding ADM values of eligible students to generate funding. As a result, the data pulls and calculations for most direct funding lines are subsets of existing data pulls.

## **Grades K-3 Students**

### ***About K-3 Students***

TISA includes direct funding for any student in grades kindergarten through 3<sup>rd</sup> grade (K-3) intended to support early literacy instruction in support of the goal of all students reading at grade level by third grade.

### ***Grades K-3 Students – Data and Calculation***

#### ***Inputs***

##### ***Base ADM***

A district's grades K-3 direct funding is based on the prior year ADM of all students in grades kindergarten through 3<sup>rd</sup> grade, averaged across all nine reporting periods. This is the same data pull used in the base ADM, filtered down to these respective grades.

#### ***Funding***

The direct funding for K-3 students is subject to annual appropriations by the Tennessee General Assembly. For the 2023-34 TISA allocations, the K-3 student direct funding amount is **\$500 per ADM**.

#### ***Calculation***

(K-3 Student ADM 9 Period Average) \* (K-3 Funding Amount) = K-3 Direct Funding Generated

## Rising 4<sup>th</sup> Grade Students

### *About Rising 4<sup>th</sup> Grade Students*

TISA includes direct funding for rising 4<sup>th</sup> grade students need additional supports in literacy based on their performance on the 3<sup>rd</sup> grade English Language Arts (ELA) TCAP. These funds provide resources to support students with additional instructional opportunities, including tutoring or other interventions.

### *Rising 4<sup>th</sup> Grade Students – Data and Calculation*

#### Inputs

##### 3<sup>rd</sup> Grade ELA TCAP Results

Eligibility for this funding is determined after TCAP administration each spring, with results pulled from the state assessment results files. Students scoring “below” or “approaching” on the ELA section of the 3<sup>rd</sup> Grade TCAP generate funds under this direct funding component. This does not include results from alternative assessments. Because TISA is based on prior year data, funds are generated based on the LEA in which the student tested, rather than where they enrolled in the following year.

This direct funding line is based on actual student counts rather than an ADM calculation.

#### Funding

The direct funding for rising 4<sup>th</sup> student supports is subject to annual appropriations by the Tennessee General Assembly. For the 2023-34 TISA allocations, the funding for rising 4<sup>th</sup> grade students who qualify for this category is **\$500 for each student**.

#### Calculation

(Number of eligible rising 4<sup>th</sup> grade) \* (Rising 4<sup>th</sup> Grade Funding Amount) = Rising 4<sup>th</sup> Grade Funding Generated

## Career and Technical Education (CTE) Programs

### *About CTE Program Funding*

TISA provides direct funding for student participation in Career and Technical Education (CTE) programs to drive college and career readiness outcomes. The direct funding is further structured to incentivize LEAs to align program of study offerings with careers that are in-demand and produce strong living wage potential.



## **Inputs**

### **CTE Course Enrollment**

CTE students must be enrolled in a “C” course outlined in the department’s course matrix. “G” coded courses will not qualify for CTE direct funding. Course enrollment data is entered by LEAs in local student information systems and pushed into EIS for state data pulls.

### **CTE ADM**

Career and Technical Education ADM (CTE ADM) is calculated by using the standard ADM calculation and then further calculating the portion of the student’s instructional day spent in the CTE course. This CTE ADM will differ from a student’s base ADM due to whether or not a student is enrolled in an approved CTE course, and by the length of time out of the school day spent in the course.

For example, if a student is on a block schedule and takes one CTE course for the full reporting period, then the student generates a .25 CTE ADM for that reporting period. This reflects taking one CTE course out of the four courses provided in the student’s instructional day.

### **CTE Course Matrix and Program of Study Level**

The direct funding relies on two external sources of information provided annually. First, the CTE course matrix, posted on the department’s CTE webpage, provides course code assignments within each program of study, assigned to a progression year. Progression years represent the advanced status of the course, beginning with introductory courses (Year 1) up to more intensive learning experiences (Year 4). Course codes assigned to multiple programs of study appear in the same progression year within each. LEAs are not required to follow the progression years in how coursework is offered to students. LEAs may exercise flexibility in course sequencing while ensuring students progress through appropriate coursework and expectations of the program of study. If an LEA exercises this flexibility, however, it does not alter the progression year assignment of the course code.

Second, under the TISA rule, programs of study are assigned a level, one through three, based on factors outlined in the rule. A list of programs of study by level is posted on the department’s CTE webpage.

For each CTE student’s course enrollment, the progression year and program of study level inform funding determinations.

**Funding**

In future years, the direct funding for CTE will vary by progression year and program of study level, following the funding matrix below, which is subject to annual appropriations by the Tennessee General Assembly. For the 2023-24 TISA allocations, to allow time for students currently enrolled in programs of study to complete coursework without major shifts in financial resources, all progression years and program of study levels are funded the same at **\$5,000 per CTE ADM**. The table below details the funding matrix for the 2023-24 TISA allocations.

Program of Study Level	Progression Year			
	Year 1	Year 2	Year 3	Year 4
Level 1	\$5,000	\$5,000	\$5,000	\$5,000
Level 2	\$5,000	\$5,000	\$5,000	\$5,000
Level 3	\$5,000	\$5,000	\$5,000	\$5,000

**Calculation**

(CTE ADM) \* (Funding Matrix Assignment) = CTE Funding Generated

## **Public Charter School Students**

### ***About Public Charter School Students***

TISA includes direct funding for students enrolled in public charter schools, reflecting funding previously provided outside the state’s funding formula through the Charter School Facilities Fund. These funds continue to support the facilities needs of public charter schools.

### ***Public Charter School Students – Data and Calculation***

**Inputs**

**Base ADM**

An LEA’s ADMs that are enrolled in public charter schools, averaged across all nine reporting periods, generate funds for this direct funding element. This is the same data pull used in the base ADM, filtered down to these respective schools. Schools are identified as charter schools based on their school number and information from the state’s school directory.

As with all other TISA elements related to public charter schools, ADM values for each public charter school are assigned to geographic LEA in which the charter school is located.

### **Funding**

The direct funding for public charter school students is subject to annual appropriations by the Tennessee General Assembly. For the 2023-34 TISA allocations, the statewide funding for the direct funding line for public school charter students is \$22,000,000, matching the prior year grant funds, divided evenly across all public charter school ADMs (~\$500 per ADM).

### **Calculation**

(LEA-Level Charter School ADM 9 period average) \* (ADM Direct Charter Funding Amount) = Charter School Direct Funding Generated

## **Postsecondary Readiness Assessment**

### ***About Postsecondary Readiness Assessment***

In support of college and career readiness, TISA includes direct funding for students who take the ACT in their 11<sup>th</sup> or 12<sup>th</sup> grade year. Students generate funding for the cost of the initial test opportunity in 11<sup>th</sup> grade and one retake opportunity. This funding will be withheld at the state level and used to pay for the tests via a statewide contract, eliminating administrative burden on LEAs.

### ***Postsecondary Readiness Assessment – Data and Calculation***

#### **Inputs**

##### **Base ADM**

Allocations for this funding category are determined by combining the LEA's total ADM in 11<sup>th</sup> and 12<sup>th</sup> grades for each of the nine reporting periods and using the average of all nine periods. This represents initial test opportunity and a retake opportunity. This is the same data pull used in the base ADM, filtered down to these respective grades.

#### **Funding**

Funding for the postsecondary readiness assessment is based on the cost of the ACT test according to the state contract. Funds generated in this section will be deducted from the LEA's allocation and held at the state level. For the 2023-2024 school year, the General Assembly has allocated **\$93 for each ACT test** (\$186 combined for the initial take and retake opportunity).

#### **Calculation**

(Grades 11 and 12 ADM 9 Period Average) \* (Cost Per Test) = Postsecondary Readiness Assessment Funding Generated

# Outcomes Funding

## ***About Outcomes Funding***

The final element of the TISA is outcomes funding which provides incentive bonuses for student performance on academic targets. The Commissioner of Education is required to convene an Outcomes Committee with a specific set of stakeholders to develop outcomes targets and funding criteria. The Outcomes Committee convenes throughout the year to evaluate current targets and set new targets as appropriate. The targets for the 2022-23 academic year's performance are aligned to specific goals for elementary, middle, and high school.

Funds awarded for outcomes bonuses are 100% state-funded and therefore do not require an additional local contribution. The department will report outcome bonuses by LEA after payments are issued.

Outcome bonuses will be distributed to LEAs once per year (by the 5<sup>th</sup> payment period) following the academic year for which the performance indicators are measured. The outcomes targets are measured as lag indicators, pulling performance data reported for the prior academic year.

A student may generate one outcome bonus in elementary school, one in middle school, and one in high school.

The state budget for outcomes bonuses is set by the General Assembly's appropriations process. If the budget for outcomes is less than the funds generated for all outcomes bonuses statewide, the department will pro-rate the awards to fit within the available funding. If the funds generated for all outcomes bonuses statewide are less than the state budget, excess funds will be moved into the subsequent fiscal year to fund outcomes bonuses.

**NOTE:** There is currently a revision to the TISA rule pending for the High School Outcomes Funding criteria. These revisions were [presented](#) to the State Board of Education on February 10, 2023 and received a positive recommendation from the State Board. The rule is going through the rulemaking process required by law. The information provided below aligns to the pending updated TISA rule for outcomes funding. For information on the existing outcomes rule language, please see the current rule posted on the Secretary of State's website, available [here](#).

## ***Elementary School Outcome***

### **Target**

- Student scores “meet expectations” or “exceeds expectations” on 3<sup>rd</sup> grade ELA TCAP; **OR**
- Student scored “approaching” or “below” on the 3<sup>rd</sup> grade ELA TCAP in the prior year and improves by at least one performance on the 4<sup>th</sup> grade ELA TCAP

### **Inputs**

#### **Assessment Data**

Data to measure students meeting this outcome target will be pulled from state assessment files from the academic year being measured and the immediately preceding year. Students reaching the highest performance level on the state alternate assessment in 3<sup>rd</sup> grade will also be included in generating this outcomes bonus. The counts for students will be raw counts based on performance outcomes rather than reflective of ADM calculations.

Improvement of a performance level is defined as moving from “below” to “approaching” or higher or moving from “approaching” to “meets expectations” or higher.

#### **Student Classifications**

Student classifications for economically disadvantaged, EL, and students with disabilities are identified for all eligible students. The student classification codes used to inform this outcomes measure are aligned to the same codes used in the weighted funding lines of the TISA formula.

### **Funding**

- A student meeting this outcomes target generates a bonus of **10% of the base funding amount.**
- If a student is identified as economically disadvantaged, an EL, or a student with a disability, then a student meeting this outcomes target generates a bonus of **20% of the base funding amount.**

### **Calculation**

- Students not identified as ED, EL, SWD: (Students Meeting Outcomes Target) \* (Base Funding Amount) \* 10% = Elementary Outcomes Bonus Funding Generated
- ED, EL, SWD: (Students Meeting Outcomes Target) \* (Base Funding Amount) \* 20% = Elementary Outcomes Bonus Funding Generated

## ***Middle School Outcomes***

### **Target**

- Student scores “meet expectations” or “exceeds expectations” on **both** the ELA and Math sections of the 8<sup>th</sup> grade TCAP; **OR**
- Student who improved by at least one performance level from the 7<sup>th</sup> grade TCAP to the 8<sup>th</sup> grade TCAP on **both** the ELA and Math sections.

### **Inputs**

#### **Assessment Data**

Data to measure students meeting this outcome target will be pulled from state assessment files from the academic year being measured and the immediately preceding year. Students reaching the highest performance level on the state alternate assessment in 8th grade will also be included in generating this outcomes bonus. The counts for students will be raw counts based on performance outcomes rather than reflective of ADM calculations.

Improvement of a performance level is defined as moving from “below” to “approaching” or higher or moving from “approaching” to “meets expectations” or higher.

#### **Student Classifications**

Student classifications for economically disadvantaged, EL, and students with disabilities are identified for all eligible students. The student classification codes used to inform this outcomes measure are aligned to the same codes used in the weighted funding lines of the TISA formula.

### **Funding**

- A student meeting this outcomes target generates a bonus of **10% of the base funding amount.**
- If a student is identified as economically disadvantaged, an EL, or a student with a disability, then a student meeting this outcomes target generates a bonus of **20% of the base funding amount.**

### **Calculation**

- Students not identified as ED, EL, SWD: (Students Meeting Outcomes Target) \* (Base Funding Amount) \* 10% = Middle School Outcomes Bonus Funding Generated
- ED, EL, SWD: (Students Meeting Outcomes Target) \* (Base Funding Amount) \* 20% = Middle School Outcomes Bonus Funding Generated

## ***High School Outcomes***

### ***(Pending TISA Rule Change)***

Two outcomes target goals have been established for high school students. Both goals are applied to a graduating class. The first goal considers the most recent graduating class; the second goal, reliant on more lagging indicators, considers the graduating class from the year prior.

#### **Target – Goal 1**

- A student earning at least 2 Early Post-Secondary Credit Opportunity (EPSO) credits **AND** meeting one of the following:
  - Scoring a composite of 21 or higher on the ACT, **OR**
  - Improving their ACT composite by at least 4 points between first 11<sup>th</sup> grade ACT and a retake; **OR**
- A student earning at least 3 EPSO credits; **OR**
- A student scoring 31 or higher on the Armed Services Vocational Aptitude Battery (ASVAB) Armed Forces Qualifying Test **AND** earning at least two EPSO credits

#### **Inputs – Goal 1**

##### **Assessment Data**

Data to measure students meeting this outcome target will be pulled from state assessment files for the ACT from the academic year being measured and the immediately preceding year. Students reaching the highest performance level on the state alternate assessment in 8th grade will also be included in generating this outcomes bonus. The counts for students will be raw counts based on performance outcomes rather than reflective of ADM calculations.

Improvement of a performance level is defined as moving from “below” to “approaching” or higher or moving from “approaching” to “meets expectations” or higher.

##### **EPSO Credit**

EPSO credits, are defined in the pending TISA rule as:

- Earning post-secondary credits/clock hours (such as dual enrollment),
- Earning a passing score on approved exams (such as Advance Placement or International Baccalaureate), or
- Earning a [Tier II or Tier III industry credential](#).

Data for each EPSO credits is reported in state level files or will be collected from districts in the fall of the year following the graduation.



### Student Classifications

Student classifications for economically disadvantaged, EL, and students with disabilities are identified for all eligible students. The student classification codes used to inform this outcomes measure are aligned to the same codes used in the weighted funding lines of the TISA formula.

### Funding – Goal 1

- A student meeting this outcomes target generates a bonus of **10% of the base funding amount**.
- If a student is identified as economically disadvantaged, an EL, or a student with a disability, then a student meeting this outcomes target generates a bonus of **20% of the base funding amount**.

### Calculation – Goal 1

- Students not identified as ED, EL, SWD: (Students Meeting Outcomes Target) \* (Base Funding Amount) \* 10% = High School Outcomes Bonus Funding Generated
- ED, EL, SWD: (Students Meeting Outcomes Target) \* (Base Funding Amount) \* 20% = High School Outcomes Bonus Funding Generated

### Target – Goal 2

The second high school outcome target is limited to students with disabilities in a graduating class who:

1. Did not generate a bonus under the goal 1 targets detailed above; **AND**
2. Are enrolled in an LEA that has met the state's target percent of students with disabilities participating in their least restrictive environments at least 80% of the instructional day as defined in the state's Individuals with Disabilities in Education Act (IDEA) Annual Performance Report (APR) state plan (Indicator 5). For the 2022-23 school year, the state's IDEA APR target for this indicator was 74.92%.

If an LEA and student meet the eligibility requirements above, a student may generate outcomes funding by **meeting at least two of the three targets** below related to other indicators in the state's IDEA APR:

1. Graduation with a general education diploma (Indicator 1)
2. Proficiency on the state's alternate assessment (Indicator 3C)
3. Post-school outcomes, including enrollment in higher education, training programs, or being competitively employed (Indicator 14)

## **Inputs – Goal 2**

### Assessment Data

Data to measure students meeting this outcome target will be pulled from state assessment files for the alternate assessment. The counts for students will be raw counts based on performance outcomes rather than reflective of ADM calculations.

### Graduation Data

Graduation data is reported via LEA's student information system into EIS.

### APR Indicator 14 Data

Data regarding post-school outcomes for students with disabilities is currently collected at the local level and reported to the state for the purpose of the state's IDEA APR. Data will continue to be collected locally and reported to the state; however, LEAs will need to do so annually to report qualifying students for the purpose of this outcome.

### Student Classifications

Student classifications for students with disabilities are used to identify all eligible students. The student classification codes used to inform this outcomes measure are aligned to the same codes used in the weighted funding lines of the TISA formula.

## **Funding – Goal 2**

- A student meeting this outcomes target generates a bonus of **10% of the base funding amount**.

## **Calculation – Goal 2**

- (Students Meeting Outcomes Target) \* (Base Funding Amount) \* 10% = High School Outcomes Bonus Funding Generated

# Fast-Growth Funds

An LEA experiencing fast-growth of student populations and needs may qualify for one of two fast-growth funding opportunities. Fast-growth stipends are additional funds provided to LEAs experiencing significant growth within a school year, meaning that the students being served are significantly higher in population and/or needs than the student totals that generated the TISA allocation. Infrastructure stipends are additional funds provided once per year to LEAs experiencing consistent growth over a three-year period.

For both fast-growth funding opportunities, counts of student population and needs only include students in non-virtual schools.

### **Funding**

The funds available for fast-growth funds are set annually by the General Assembly's appropriations. For the 2023-24 school year, \$35,000,000 has been included in the state budget, with up to \$10,000,000 of these funds to be made available for infrastructure stipends.

Per law, all fast-growth stipends must be paid out first, using up to the full budgeted funding for fast-growth funds. After all fast-growth stipends have been paid, eligibility and awards for infrastructure stipends will be processed up to the amount in the state budget. As a result, infrastructure stipends are paid on a different schedule than fast-growth stipends to ensure funding availability. After the initial fast-growth stipends and infrastructure stipends have been paid, should funds remain available in the fast-growth funds budget, additional fast-growth stipends may be paid out capturing growth lower than the initial threshold of 1.25% until such time as all funds are paid out.

### ***Fast-Growth Stipends***

An LEA that experiences growth in the total allocation generated by students in non-virtual schools in the LEA in the current year in excess of 1.25% compared to the previous year is eligible for a fast-growth stipend equal to the state portion of increases in allocations in excess of 1.25%. Fast-growth stipends are calculated within each academic year and are not considered recurring grants to LEAs.

Fast-growth stipends will be calculated using the following method ("prior year" means the year informing the TISA allocations; "current year" references the academic year of service to students):

- **Step 1:** The department will run the TISA formula for an LEA using prior year data, excluding outcome bonuses and virtual schools ADM. This will establish a fast-growth baseline.
- **Step 2:** The department will run the same TISA formula for the current year using current school year data, still excluding outcome bonuses and virtual schools ADM. This creates the growth comparison allocation. This run will occur five times during the school year.
- **Step 3:** Each time the department runs the formula to generate the growth comparison allocations, the resulting growth comparison allocations will be compared to the fast-growth baseline allocations. If the growth comparison allocation is more than 1.25% higher than the fast-growth baseline, the LEA qualifies for a fast-growth stipend.
- **Step 4:** If an LEA is eligible for a fast-growth stipend, the initial amount of the stipend will equal the state portion of the difference between the growth comparison allocation and the fast-growth baseline above the 1.25% eligibility threshold.

- **Step 5:** Payments equal to one fifth (1/5) of the stipend value will be made at five points during the year, on or before the 15th of November, January, March, May, and July. The final July calculation will be a reconciliation of the verified reporting periods of the recently completed school year averaged together, mirroring the overall TISA calculation process.

If the statewide total of generate fast-growth stipends exceeds the state budget set for this purpose, then the fast-growth stipends will be pro-rated to fit within available funds.

**Example**

The Sample LEA below shows a the fast-growth baseline and growth comparison allocations, excluding outcomes funding and virtual school ADMs.

Sample LEA		
	TISA Allocation (Fast-Growth Baseline)	Growth Comparison Allocation
Base	\$10,000,000	\$10,350,000
Weights	\$2,500,000	\$2,600,000
Direct	\$1,500,000	\$1,650,000
<b>TOTAL</b>	<b>\$14,000,000</b>	<b>\$14,600,000</b>
Full % Increase	4.29%	
Excess Over 1.25% Threshold	4.29% - 1.25% = 3.04%	
Excess \$ Over Threshold	3.04% x \$14,000,000 = \$425,000	

The full percentage difference between the fast-growth baseline and the growth comparison allocation is 4.29%, which is 3.04% above the eligibility threshold of 1.25%. The 3.04% is then multiplied by the fast-growth baseline to determine funds generated in the growth comparison allocation above the eligibility threshold, or \$425,000 for the sample district.

To determine the state portion of these excess funds, the LEA’s TISA calculator is pulled for state and local contributions, looking at the overall funds in the TISA allocations provided by the state compared to the full allocation.

TISA State & Local Contributions				
<i>4. Total Local Contribution</i>				
Adding Local Contribution Totals	\$2,300,000		+	\$700,000
		=		\$3,000,000
<b>Total Funding (Base, Weights, Direct)</b>				
				\$14,000,000
			<b>Local</b>	-
				\$3,000,000
			<b>State</b>	=
				\$11,000,000

For the sample LEA, \$11,000,000 of the overall \$14,000,000 TISA allocation is provided by the state, or 78.57%. This value is then multiplied by the excess funds generated in the calculation above:

$$(78.57\%) * (\$425,000) = \$333,929$$

This total represents the initial amount of the fast-growth stipends for the Sample LEA. Should prorating of the stipends be necessary, this value would be adjusted proportional to all other qualifying LEAs' stipend values, to fit within the available budget.

### ***Infrastructure Stipends***

Any LEA that experiences ADM growth in non-virtual schools exceeding two percent (2%) for each year of a three-consecutive-year period is eligible for an infrastructure stipend. The infrastructure stipend is a per-student flat dollar amount and will be uniform across all eligible LEAs.

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**Important Note for LEAs:** For the 2023-2024 school year allocations, 2020-2021 ADM will be excluded from the calculation. This is intended to ensure that decreases in student enrollment during the pandemic are not accounted for when calculating a LEA's eligibility for infrastructure stipends.

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Infrastructure stipends will be calculated using the following method:

- **Step 1:** The department will compare the LEA's non-virtual school base ADM for the three school years prior to the current year. If the non-virtual school base ADM increased by more than 2% each year, then the LEA is eligible for an infrastructure stipend.
- **Step 2:** The department will determine how many ADMs above the two percent (2%) growth threshold each qualifying LEA reported for the current school year compared to the prior year.

- **Step 3:** Using the information in Step 2, the department will determine each LEA’s proportional share of the funds available for infrastructure stipends statewide.
- **Step 4:** The department will issue stipend payments as a single payment to eligible LEAs by October 15<sup>th</sup> of each year.

**Example**

The table below provides the ADM counts and calculation of a sample LEA’s eligibility and ADM value for infrastructure stipends.

Sample LEA				
	Year 1	Year 2	Year 3	Year 4
Non-Virtual ADMs	1,000	1,025	1,150	1,300
Growth % From Prior Year	-	2.5%	4.5%	13%
Above 2%?		Yes	Yes	Yes

The sample LEA’s three consecutive years of growth of over 2% in non-virtual ADMs makes the LEA eligible for the infrastructure stipends. To determine the LEA’s ADM value to compare with statewide totals, the following math is used:

$$13\% - 2\% = 11\%$$

$$11\% * (1,150 \text{ ADM}) = 126.5 \text{ ADM}$$

The first line determined the growth in the most recent year from the prior year that is above the eligibility threshold. In this case, 13% minus the 2% eligibility threshold is 11%. This value is then multiplied by the prior year ADM, or 1,150, to generate the amount of the growth in current year that is in excess of the eligibility threshold, which is 126.5 ADM for the sample LEA.

This ADM value is then compared to the statewide count of growth ADMs. For example, if the statewide value of growth ADMs is 2,500, then the following math is used:

$$126.5 / 2,500 = 5.06\%$$

This means the sample LEA will receive 5.06% of funds available for infrastructure stipends.

# Educator Salary Increases

TISA requires that any funding specifically appropriated by the Tennessee General Assembly for teacher salaries must be used on salary increases for existing educators within LEAs and public charter schools. These funds cannot be used for other expenditures like hiring additional teachers or purchasing materials. Funding for existing educator salary increases will be included in the appropriations as a set aside of any increase made to the base funding amount statewide. These funds are included in the base of TISA and thus awarded out based on each LEA's proportional share of base ADMs statewide.

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

For the 2023-24 school year, the Tennessee General Assembly appropriated \$125 million for teacher salaries, and the State Board of Education approved the [minimum base salary](#) for a licensed educator to be \$42,000.

LEAs are not required to provide across-the-board pay increases based solely on seniority or educational attainment, but rather have the ability and flexibility to determine areas of need and adjust compensation structures accordingly.

In TISA, an existing educator is defined as an individual who is evaluated under the state's evaluation system and who provides direct services to students at a school site. Because TISA is a funding plan and not a spending plan, each LEA will utilize its additional instructional salary funds to meet its unique compensation needs.

# Local Contribution and Fiscal Capacity

For funding generated by the base and weights in the TISA formula, the state pays 70% of the statewide total. The remaining 30%, known as the local share, is the collective responsibility of local funding entities. Each LEA contributes a proportion of the statewide local share of 30% based on their fiscal capacity, or their ability to contribute financially. This amount, called the required local contribution, or local match, makes up a portion of the funds generated by TISA, and must be included in local budgets.

**Pursuant to T.C.A. § 49-3-108(h), the Comptroller shall not approve a local government budget that fails to include the local contribution.**

Funding generated in the direct and outcomes categories does not require a local match. These funding elements are 100% state funded.

### **Fiscal Capacity**

Fiscal capacity is calculated using an average of two calculations: one developed by the Boyd Center for Business and Economic Research (CBER) at the University of Tennessee and one by the Tennessee Advisory Commissioner on Intergovernmental Relations (TACIR). These calculations are delivered to the department by May 1 of each year, to factor into allocations for the upcoming fiscal year.

### **Maintenance of Effort**

In addition to the required local contribution, many local governments contribute additional funds towards K-12 education. In order to ensure that additional state education dollars are not used to supplant these local funds, local governments must continue to provide the same amount of local funding from year to year. This total, called the maintenance of effort, may be higher than the required local contribution. Local governments are required to meet the maintenance of effort every year. This legal requirement was not altered in the passage of the TISA Act.

### **Calculation**

#### **Step 1:**

The first step takes the statewide total of each the base and weights generated by districts, multiplying each by the 30% local share. This math will be consistent for every LEA in the state.

#### **Step 2:**

The second step uses the fiscal capacity estimates, calculated as an average of the values provided by CBER and TACIR, to determine each county's responsibility of the statewide local share. Note that fiscal capacity is calculated at the county level and not the LEA level.

#### **Step 3:**

For counties including multiple LEAs, this step splits the county's total local contribution into proportional shares for each included LEA. To do so, each LEA's total funds generated for the base funding line is divided by the total of all base funding generated within the county. The resulting percentage is then multiplied by the county's local contribution responsibility for the base funding



determined in Step 2. The math is repeated for the weights. The result of these calculations is each LEA's local contribution responsibility for each the base and the weights.

**Step 4:**

The final step totals the LEA's local contribution requirement by adding the results of Step 3 together for the base and the weights.

LEAs receive a State and Local Contributions table in their TISA estimates and final allocations, transparently displaying the steps detailed above.

**Example**

In the sample below, the calculation walks through the four steps of determining local contributions. Note that the funding levels are for example purposes only.

<b>TISA State &amp; Local Contributions Estimate</b>					
<b>1. Calculation of Statewide Local Share</b>		<b>BASE</b>			<b>WEIGHTS</b>
Statewide Total		\$6,600,000,000			\$1,700,000,000
Multiply by Local Share %	x	30%		x	30%
Statewide Local Share	=	\$1,980,000,000		=	\$510,000,000
<b>2. Application of County Fiscal Capacity</b>					
Statewide Local Share		\$1,980,000,000			\$510,000,000
Sample County Fiscal Capacity	x	0.75%		x	0.75%
Sample County Local Contribution (All Systems)	=	\$14,850,000		=	\$3,825,000
<b>3. Multi-System County Calculation</b>		<b>Base Funds Generated</b>			<b>Weight Funds Generated</b>
Sample County		\$30,000,000			\$8,500,000
All Systems within County Total	/	\$70,000,000		/	\$15,000,000
Sample County % of County Total Funds	=	42.86%		=	56.67%
County Local Contribution (All Systems)	x	\$14,850,000		x	\$3,825,000
Sample County Local Contribution	=	\$6,364,710		=	\$2,167,627.50
<b>4. Total Local Contribution</b>					
Adding Local Contribution Totals		\$6,364,710		+	\$2,167,627.50
			=		\$8,532,337.50

# Distribution of Funds

## ***Distribution of Funds to LEAs***

### ***Timing***

TISA funds will be distributed to LEAs in ten separate payments throughout the school year. The first payment will be distributed on August 15, 2023, and then each month until April 15, 2024, with a final payment on June 30, 2024.

### ***Support Funds***

TISA includes two provisions for support funds for LEAs that may experience declines in student population and needs. The safety net provision ensures that no LEA experiences a decline of more than 5% from one fiscal year to the next in total TISA allocations. In the initial transition to TISA, a Basic Education Program (BEP) transition funding opportunity ensures that no LEA receives less funding in the first year of TISA compared to the prior fiscal year. The BEP transition funds also provide scaled down support for up to a four-year period as LEAs adjust operations.

### ***5% Safety Net***

This provision will go into effect beginning with TISA allocations for the 2024-25 school year; no LEA will experience decreased funding in the 2023-24 school year due to the BEP transition funding detailed below.

Eligibility for this provision is determined by comparing final TISA allocations with the prior year TISA allocations, each based on the combined total of the base, weights, and direct funding lines. Outcomes funding is not included. If an LEA's allocations are 5% less than the prior year, or below this threshold, then the LEA qualifies for the safety net provision.

Qualifying LEAs will then receive safety net adjusted TISA allocations reflecting 95% of the prior year's TISA allocation.

The eligibility test for the safety net provisions is conducted annually against the final TISA allocation each LEA received for the prior year. If the LEA received a safety net adjusted allocation in the prior year, the test in the upcoming year will run against the safety net adjust allocation, ensuring that no LEA experiences more than a 5% decrease in funding from one year to the next.

Example

The table below provides a sample LEA for which the 2024-25 TISA allocation is \$59,000,000, reflecting a 7.8% decrease from the sample LEA's 2023-24 TISA allocation of \$64,000,000. Because this decrease is over the 5% threshold, the LEA qualifies for the safety net provision.

Sample LEA	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	$\$64,000,000 \times 95\% =$
2024-25 Safety Net Final Allocation	\$60,800,000

The final step is to apply the 95% safety net to the 2023-24 TISA allocation, generating for the sample LEA an updated 2024-25 safety net adjusted TISA allocation of \$60,800,000.

**BEP Transition Funding**

In the first year of TISA implementation, 2023-24, the BEP transition funding provision measures whether or not an LEA receives less funding in the 2023-24 TISA allocations when compared against the 2022-23 baseline funding. The baseline funding amount includes the LEA's BEP allocation (inclusive of state and local funds), plus grant funds received in 2022-23 for Coordinated School Health, School Safety, or Family Resource Centers. If an LEA's TISA allocation for 2023-24 is less than this baseline funding amount, the LEA qualifies for BEP transition funding.

If in any given year of BEP transition funding, a qualifying district's TISA allocation for the year exceeds the baseline funding amount, the LEA will shift to the standard TISA allocation and will no longer receive BEP transition funding.

To qualify for BEP transition funding, an LEA must qualify in the first year of TISA implementation. Once an LEA moves off BEP transition funding, it may not move back on to it.

An LEA receiving BEP transition funding does not qualify for the safety net provision funding.

Calculation

For qualifying LEAs, the BEP transition funding provides up to four years of scaled down funding, allowing the LEA to adjust to its TISA allocations. The scaled down funding operates as follows:

- 2023-24: LEA is held harmless 100% back to the baseline amount
- 2024-25: LEA is held harmless 75% back to the baseline amount compared to the 2024-25 TISA allocation
- 2025-26: LEA is held harmless 50% back to the baseline amount compared to the 2025-26 TISA allocation
- 2026-27: LEA is held harmless 25% back to the baseline amount compared to the 2026-27 TISA allocation

By 2027-28, all LEAs qualifying for BEP transition fundings will shift to standard TISA allocations.

To determine state and local contribution, the TISA rule details that the scaled down percentages for each given year of eligibility will also be applied to the state portion. The local contribution is thus determined by the balance of the funds between the updated overall BEP transition allocations compared subtracting the state portion for the given year. The calculation for the overall allocation adjustments and the state and local contributions under BEP transition funding are included in the table below.

<b>BEP Transition Implementation</b>				
<b>BEP Transition Funding Steps</b>	<b>Fiscal Year</b>	<b>BEP Transition Allocations (All)</b>	<b>BEP Transition - State</b>	<b>BEP Transition - Local</b>
FY24: LEA is held harmless 100% back to baseline compared to FY24 TISA Allocation	FY24	Match Baseline Total	Match Baseline State	Match Baseline Local
FY25: LEA is held harmless 75% back to baseline compared to FY25 TISA Allocation	FY25	(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
FY26: LEA is held harmless 50% back to baseline compared to FY26 TISA Allocation	FY26	(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
FY27: LEA is held harmless 25% back to baseline compared to FY27 TISA Allocation	FY27	(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
FY28: LEA receives FY28 TISA Allocation	FY28	FY28 TISA All	FY28 TISA State	FY28 TISA Local

Example

The example below shows an LEA for which the 2023-24 TISA allocation is less than the 2022-23 baseline funding amount, qualifying the LEA for 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

To determine the state and local contributions for each year, the table below also includes the LEA's TISA allocations for each year of eligibility. Note, these are allocations for the purpose of this example; actual allocations for these future years cannot be determined until the funding year's data has been reported.

BEP Transition Funding Steps	TISA Projected Allocations for Each FY			BEP Transition Implementation			
	Projected TISA Allocations (All)	Projected TISA Allocation - State	Projected TISA Allocation - Local	Fiscal Year	BEP Transition Allocations (All)	BEP Transition - State	BEP Transition - Local
FY24: LEA 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: LEA 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: LEA 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: LEA 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: LEA receives FY28 TISA Allocation	\$26,000,000	\$15,700,000	\$10,300,000	FY28	\$26,000,000	\$15,700,000	\$10,300,000

The math in each of the cells on the right-hand side of the table reflect the application of the business rules included in the calculation steps detailed above. For example, for the 2024-25 fiscal year,

- Overall Allocation:  $((\$29,000,000 - \$26,400,000) * (75\%)) + (\$26,400,000) = \$28,350,000$
- State Portion:  $((\$17,500,000 - \$15,850,000) * (75\%)) + (\$15,850,000) = \$17,087,500$
- Local Portion:  $(\$28,350,000) - (\$17,087,500) = \$11,262,500$

## ***Public Charter School Funding***

Funding for public charter schools is generated in the geographic LEA in which the school operates, and funding is transferred from the geographic LEA to the public charter schools. Charter schools do not receive direct TISA allocations. State Board of Education Rule 0520-14-01-.03 governs the process of determining public charter school funding which is broader than TISA funding. The following steps provide an overview of the process:

- **Step 1**

Using prior year enrollment and student characteristics, the state uses the TISA calculator to determine the full amount of funding generated by a public charter school's students. This amount will include state and LEA local funds, which will vary depending on the required local match. This is the only step in determining public charter school funding that directly uses the TISA formula.

- **Step 2**

If a geographic LEA provides additional local funding above and beyond the local funds required in Step 1 above, public charter schools located within the geographic bounds of the LEA will receive their proportional share of the additional local funds. The proportional share will be determined by the ADM value used in the base funding determination in Step 1 above, reflecting the public charter school's prior year student membership.

The combination of Step 1 and Step 2 generate funding reflective of the public charter school's prior year membership in total, inclusive of formula-generated funds and additional local funds.

- **Step 3**

If a charter anticipates a growth or decline in enrollment, the final calculation step is a true-up to current year student membership. For any changes in overall ADM value, positive or negative, compared to the prior year, the public charter school shall receive the average of all state and local funds, inclusive of additional local funding, received by the LEA in the current

year. This may result in either an increase or decrease to the public charter school's funding in alignment with the change in ADM value.

Additional information on funding for public charter schools is available in the State Board of Education rule governing the flow of funds to these schools.

## TISA Annual Calendar

Date	Events
<b>August 15</b>	<ul style="list-style-type: none"> <li>• TISA payment</li> </ul>
<b>September 15</b>	<ul style="list-style-type: none"> <li>• TISA payment</li> </ul>
<b>October 15</b>	<ul style="list-style-type: none"> <li>• Verify that student enrollment data, class information, Special Education (SPED) data, and Economically Disadvantaged (ED) data is correct and submitted to EIS</li> <li>• Period 1 data in EIS (pulled on October 16)</li> <li>• TISA Payment</li> <li>• TISA Fast Growth Infrastructure Stipend Payment (prior year)</li> </ul>
<b>November 15</b>	<ul style="list-style-type: none"> <li>• Period 2 data in EIS (pulled on November 16)</li> <li>• TISA Payment</li> <li>• Fast Growth Stipend Payment</li> </ul>
<b>December 15</b>	<ul style="list-style-type: none"> <li>• Period 3 data in EIS (pulled on December 16)</li> <li>• TISA Payment</li> <li>• TISA Outcomes Payment</li> </ul>
<b>January 15</b>	<ul style="list-style-type: none"> <li>• Period 4 data in EIS (pulled on January 16)</li> <li>• TISA Payment</li> <li>• TISA Fast Growth Stipend Payment</li> </ul>
<b>January 30</b>	<ul style="list-style-type: none"> <li>• Student data sent to LEAs for review</li> </ul>
<b>February 15</b>	<ul style="list-style-type: none"> <li>• Period 5 data in EIS (pulled on February 16)</li> <li>• TISA Payment</li> </ul>
<b>February 28</b>	<ul style="list-style-type: none"> <li>• February preliminary TISA estimates released</li> </ul>
<b>March 15</b>	<ul style="list-style-type: none"> <li>• Period 6 data in EIS (pulled on March 16)</li> <li>• TISA Payment</li> <li>• TISA Fast Growth Stipend Payment</li> </ul>
<b>March 30</b>	<ul style="list-style-type: none"> <li>• March preliminary TISA estimates released</li> </ul>
<b>April 15</b>	<ul style="list-style-type: none"> <li>• Period 7 data in EIS (pulled on April 16)</li> </ul>

Date	Events
	<ul style="list-style-type: none"> <li>• TISA Payment</li> </ul>
<b>April 30</b>	<ul style="list-style-type: none"> <li>• April preliminary TISA estimates released</li> </ul>
<b>May 15</b>	<ul style="list-style-type: none"> <li>• Period 8 data in EIS (pulled on May 16)</li> <li>• TISA Fast Growth Stipend Payment</li> <li>• Verify that district and school calendar information is correct and submitted to EIS for the upcoming school year</li> </ul>
<b>May 30</b>	<ul style="list-style-type: none"> <li>• May preliminary TISA estimates released</li> </ul>
<b>June 15</b>	<ul style="list-style-type: none"> <li>• Period 9 data in EIS (pulled June 16)</li> <li>• TISA Payment (75% of final payment)</li> </ul>
<b>July 15</b>	<ul style="list-style-type: none"> <li>• TISA Final Payment (true-up)</li> <li>• TISA Final Fast Growth Stipend Payment (true-up)</li> <li>• Final TISA Allocations released</li> </ul>

## TISA Appeals Process

TISA law and rule require a process for LEAs to submit appeals to the department related to TISA data and allocations. The following types of appeals may be submitted to the department for consideration:

- **Data Error** - To correct substantive data reporting discrepancies or errors during a reporting period. This type of appeal must be filed within (15) business days of the final data pull used for final funding allocations for the reporting period for which the error was made.
- **Allocation Calculation** - To correct inaccurate final TISA allocations due to an alleged error in the calculation process. This type of appeal must be filed within fifteen (15) business days from the issuance of final allocations by the department.

To file an appeal, the LEA's director of schools must submit a completed appeal form, which will be made available on the state's website, by the deadline provided above, to the Commissioner of Education.

Decisions regarding approval or denial of the appeal will be made within fifteen (15) business days of receipt, provided all supporting documentation and evidence has been submitted by the appealing LEA.




# Reporting Requirements

To provide transparency to educators, families, and stakeholders, TISA includes certain reporting requirements of the department and LEAs.

For the 2023-24 school year, and each year thereafter, reporting on school and LEA-level funding decisions under TISA will be included in the [State Report Card](#) which will be updated in fall 2023. The State Report Card is a publicly accessible online tool that provides stakeholders with meaningful information on state, school, and LEA performance. The information in the report card contains a variety of indicators including accountability measures, letter grades, assessment results, staffing patterns, messages from local leaders, and finance data. It is important that the report card share these indicators in an easy-to-understand interface that allows all users to make meaningful assumptions, comparisons, and decisions.

Users will be able to use the Report Card as a guide to work collaboratively with their LEA and/or school to make better decisions for students. Financial transparency and increased reporting allow Tennessee families to ask meaningful questions about investment decisions, and narrative components and additional visualizations allow LEAs and schools to tell the story of their unique investment decisions and subsequent outcomes. TISA reporting will highlight the individual ways an LEA or a school meets the needs of their students, while also finding useful and meaningful elements of comparison to allow stakeholders to make informed decisions on behalf of Tennessee kids.

## ***TISA Reporting in the 2023-24 School Year***



**The Statewide Report Card**

Each year, the statewide report card is named for the school year in which it was released. However, the information presented on the report card provides a look back to the year prior.

This is why the 2022-23 Report Card currently shows 2021-22 data. For more information on what data is available on the report card and when, please click [here](#).

For the 2023-24 school year, the first year of TISA implementation, reporting will contain information from both the year prior (2022-23 school year) and the current school year. Federal requirements state that the report card must contain information from the preceding year. For the purposes of expenditure data, the 2023 Report Card will contain expenditure information as it occurred under the BEP in 2022-23. However, users will be able to see current year allocations under the TISA formula on the statewide report card.

The purpose of sharing allocation information is to allow LEAs to provide a narrative explanation for their plans to strategically spend those dollars in the current school year.

LEA leaders will have the opportunity to tell public users what they can expect to see when expenditure data is released in the next report card launch. Educators, families, and stakeholders can see what was spent last year, what is allocated for the current year, and read about the plans from their LEA to spend those dollars to better meet students' needs over the next school year.

In addition to information on TISA allocations and BEP expenditures, the 2023-24 Report Card will also contain information on outcomes data as it relates to outcomes bonus dollars distributed pursuant to the TISA formula. Users will be able to see additional outcomes metrics displayed in an easy-to-find call-out page that can explain how certain outcomes directly contribute to the amount of money an LEA is allocated under TISA. Users can make connections between these outcomes tab and early literacy, CTE enrollment, and more as it pertains to the TISA formula.

***Better Understanding of Local Investment Decisions***

In addition to TISA allocation information, the 2023-24 Report Card will also contain two additional tools that aim to build a user's understanding and ability to make comparisons across the state. The TISA Calculator is a tool that allows a parent or guardian to input their student's unique information in a secure and anonymous tool that can demonstrate the amount of funding a student would generate under the TISA formula. Users can see specifically how each characteristic contributes to the total amount of funding an LEA will receive for that individual student. The purpose of this tool is to deepen a stakeholder's understanding of the TISA formula and it easily calculates total funding for a student to support community members in asking the right questions of their school and LEA leaders when local investments decisions are made for their students.

**Tell Your Story: Department Administered Data Collection Survey**

Each summer prior to the report card launch, the department will send all directors of schools a data collection survey to submit school and district messages, TISA investment strategy narratives, and a list of extracurriculars offered by the school or district that support investment decisions. This survey will be shared throughout the summer, and users will have a month-long window to complete and submit.

### BEP vs. TISA Reporting

The department is required by federal law to report on prior year expenditures. In the initial TISA implementation year, the department will report on expenditures under the last year of the BEP formula. In the years that follow, expenditure data, visualizations, and information will expand under TISA due to the transparency and ease in which information can be gathered under the new formula.

Additionally, the school and LEA comparison tool is a new feature of the State Report Card that allows users to select multiple schools or LEAs based on a variety of indicators and compare them all on one screen for easier viewing. Users can toggle between accountability, academic, demographic, staffing, programmatic, and financial figures to understand how their school or LEA compares across the state. Users can select schools and LEAs based on designations, type, or size, or they can simply select the “like

schools” button to see a pre-made list of similar schools in the state to make comparisons.

### TISA Reporting Going Forward

Future reporting under TISA following the first year of implementation in the 2023-24 school year will contain additional tools and pathways to allow users to ask and answer questions on whether LEAs are seeing success in their investments. The department is working with a vendor to conduct extensive focus group and user feedback session to provide tools for return on investment (ROI) reporting. With added capabilities, LEAs and schools will be able to showcase what parents can expect for their students through each year of enrollment in a public school. Users will be able to directly map program participation, financial investments, academic indicators, and postsecondary outcomes through the tool.

Additional potential reporting elements are outlined in the table below. Please note that the tables below provide a glance at what to expect in future years but is not comprehensive of all data elements that may be included.

**Table 1: Additional Potential Data Metrics by Level**

Level (School, LEA)	Metric	Description
<b>LEA and School</b>	Quick Facts	Quick facts with financial information and programmatic selections.
<b>LEA</b>	Total Funding	Total amount of funding for TISA, other state funding, federal funding, and grants.
<b>LEA</b>	Local Addition	Local addition is an open field at the LEA discretion.

Level (School, LEA)	Metric	Description
<b>LEA</b>	Spending	Summary for LEA-level spending.
<b>LEA</b>	School Spending	Summary for cumulative school spending (all schools together) for the LEA. This will allow for users to compare school spending to all other school spending in the LEA.
<b>School</b>	Total Funding	Total amount of funding for TISA, other state funding, federal funding, and grants.
<b>School</b>	Spending	Clearly indicated expenditures that are coded to the school only- excludes LEA-level expenditures.
<b>School</b>	Resources	Specific tangible resources (like textbooks, equipment, etc.) spending coded at the school-level.
<b>District and School</b>	Return on Investment	Schools and LEA linkages to spending to specific programs and a measure for ROI calculations.

**Table 2: Additional Potential Visualizations**

Category	Visualization Description
<b>Financial</b>	Year over year breakdown of types of funding
<b>Financial</b>	Funding per student (broken down by student groups in interactive tool)
<b>Financial</b>	Spending per student (broken down by student groups in interactive tool)
<b>Financial and Other Information</b>	Student counts by student groups and overall
<b>Financial and Accountability</b>	Incorporation of accountability data into finance (e.g. chronic absenteeism or student mobility and its impact on funding)
<b>Financial</b>	Breakdown of spending by category and breakdown of those categories by student groups
<b>Financial and Staff</b>	Educator and staff experience and coordinating average salaries and salary ranges. This will also tie with the evaluation results and student achievement results; information on performance pay will also be included

Category	Visualization Description
<b>Financial and Other Information</b>	Teacher to student ratios and actual class sizes (reported by classrooms for each grade)

## TISA Accountability

### ***TISA Review Committee and Progress Review Board***

TISA includes many accountability measures including a TISA Review Committee and Progress Review Board.

**TISA Review Committee:** T.C.A. § 49-3-113 requires the State Board of Education to establish the TISA Review Committee beginning on January 1, 2026 to meet at least four (4) times per year to regularly review the TISA base funding, weighted allocations, direct allocations, and outcome incentive dollars, as well as identify any needed revisions, additions, or deletions to the TISA. In addition, the committee must provide a report, on or before November 1 of each year, to the governor, the state board of education, the finance, ways and means committees of the senate and the house of representatives, the education committee of the senate, and the education administration committee of the house of representatives. The committee must include the executive director of the state board, the commissioner of education, the commissioner of finance and administration, the comptroller of the treasury, the director of the Tennessee advisory commission on intergovernmental relations, the chair of the education committee of the senate, the chair of the education administration committee of the house of representatives, and the director of the office of legislative budget analysis, or the director's designee. The state board must appoint at least 1 member from each of the following groups to serve on the TISA review committee: teachers, school boards, directors of schools, county governments, municipal governments that operate LEAs, finance directors of urban school systems, finance directors of suburban school systems, and finance directors of rural school systems.

**Progress Review Board:** T.C.A. § 49-3-114 requires the Progress Review Board to begin on July 1, 2023 and has the duty to set minimum goals for LEAs to increase third grade student-performance level ratings, review LEA accountability reports, and determine if further action is needed for LEAs to meet outlined goals. The Progress Review Board must include 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 of representatives.

## ***LEA Accountability Reports***

Pursuant to T.C.A. § 49-3-112, each LEA is required to produce an accountability report due annually starting November 1, 2023 that establishes goals for student achievement, including the goal of 70% of students obtaining “met expectations” or “exceeded expectations” on the 3<sup>rd</sup> grade ELA portion of the TCAP and how their budget has been utilized and will continue to be utilized in meeting and exceeding this goal.

This report is required to be presented to the public for comment before the report is submitted to the department on November 1 of each year.

Beginning with the 2024-2025 LEA Accountability Reports, LEAs must also include a description of how the LEA's budget and expenditures for prior school years enabled the LEA to make progress toward the student achievement goals established for the prior school years in their annual accountability report.

## ***State Board of Education Hearings***

Beginning in the 2024-2025 school year, pursuant to T.C.A. § 49-3-112, an LEA that operates a public school that receives a "D" or "F" letter grade ,or a public charter school and the public charter school's authorizer that receives a "D" or "F" may be required to appear for a hearing before the State Board of Education, or a committee of the State Board, to report on the public school's performance and how the LEA's or public charter school's spending decisions may have affected the ability of the LEA's public schools or the public charter school to achieve certain performance goals.

At the conclusion of a hearing conducted, the board may recommend and the department may impose one of the following corrective actions :

- Require the LEA or public charter school to develop, submit to the department for approval, and implement a corrective action plan in which the department will report implementation of the corrective action plan to the state board; or
- Require the department to audit and investigate the LEA's or public charter school's academic programming and spending in which the outcomes of the audit and investigation will be reported to the State Board.

# Appendices

## ***Appendix A: Small Districts***

LEAs that qualify as a small district for the 2023-24 school year:

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

## **Appendix B: Sparse Districts**

LEAs that qualify as a sparse district for the 2023-2024 school year:

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



## Appendix C: TISA LEA Allocation Sample Template

Note: Information included below is for example purpose only and does not reflect final counts and allocations.

TISA - FY24 Projections					
District	STATE	District ID	STATE	County	STATE
Element	Amount	Students/Services			Funding
Base	\$ 6,860.00	966,870.73			\$ 6,632,733,190.22
WEIGHTS	Weight	Students/Services			Funding
Economically Disadvantaged	25%	285,001.11			\$ 488,776,901.63
Concentrated Poverty	5%	646,988.79			\$ 221,917,153.85
Small	5%	11,248.86			\$ 3,858,359.95
Sparse	5%	332,834.10			\$ 114,162,096.36
ULN 1	15%	57,873.27			\$ 59,551,596.09
ULN 2	20%	101,062.18			\$ 138,657,314.37
ULN 3	40%	31,176.06			\$ 85,547,121.63
ULN 4	60%	22,409.89			\$ 92,239,088.30
ULN 5	70%	33,434.54			\$ 160,552,654.49
ULN 6	75%	17,504.35			\$ 90,059,864.76
ULN 7	80%	14,224.43			\$ 78,063,647.34
ULN 8	100%	731.64			\$ 5,019,055.44
ULN 9	125%	17,186.82			\$ 147,376,951.32
ULN 10	150%	611.17			\$ 6,288,938.25
DIRECT					
K-3 Literacy	\$ 500.00	294,836.86			\$ 147,418,429.08
4th Grade Tutoring	\$ 500.00	44,065.00			\$ 22,032,500.00
CTE	\$ 5,000.00	47,278.97			\$ 236,394,868.18
ACT	\$ 93.00	136,165.83			\$ 12,663,421.85
Charter	\$ 500.00	43,231.04			\$ 21,615,520.98
OUTCOMES					
TBD					\$ 80,000,000.00
<b>TOTAL</b>					<b>\$ 8,844,928,674.09</b>