



Tennessee Investment in Student Achievement

TISA Funding

Office Hours

March 2026

Caryn Burkholder, Director of Data Strategy
Mary Stoutenburgh, Operational Data Manager



DISCLAIMER

Generative AI Tools

The **State of Tennessee does not currently permit the use of Generative AI tools**, such as Otter, in meetings hosted on state resources. Meetings with contractors, vendors, and subrecipients are not public meetings and may involve discussion of protected state data.

Generative AI tools are not adequately regulated and are designed to train on data that is collected and may misrepresent data or release protected data to the general public.

While the State supports your desire to maintain documentation of the meeting and what you learn, **please respect our decision to safeguard information** and do not attempt to use tools such as these. If you choose to use a tool such as this, the State will block that tool from the meeting.



Objectives

- Base Funding
- ED Hold Harmless
- Funding Floor
- CTE Funding
- Fiscal Capacity
- Resource Overview
- Questions



2026-2027 Base Funding Update



\$7,530

**Proposed Base
Funding for 2026-27
school year**

- The Governor's proposed budget increases the base funding amount to \$7,530.
- As with the last 3 years, this includes a \$125 million investment for existing educator salary increases to meet the required minimum of \$50,000 by the 2026-27 school year.

FY27 Economically Disadvantaged (ED) Hold Harmless

Who qualifies for economically disadvantaged (ED)?

Economically disadvantaged is defined as a student identified as experiencing **homelessness**, **foster care**, **unaccompanied youth**, or **migrant status**, or a student meeting the **direct certification eligibility guideline**, related to receiving **SNAP or TANF** supports. ED does NOT include Medicaid Free or Medicaid Reduced.

How does ED Hold Harmless work?

Pending approval through the appropriations bill, districts will generate TISA funds to cover **100%** of the gap between 2025-26 actual ED ADM and 2024-25 funded ED ADM. If a district's 2025-26 ED ADM exceeds 2024-25 funded ED ADM, funding will be based on the actual ED ADM for the 2025-26 school year.

Example:

District	2024-25 Funded ED ADM	2025-26 Actual ED ADM	FY27 Funded ED ADM
District A	50.0	75.0	75.0
District B	200.0	125.0	200.0

Funding Support Provisions

TISA includes three key provisions to support financial predictability:

- 1 BEP Transition**

Any district that was slated to receive less funds in the first year of TISA has received up to four years of gradual stepped down funding to provide time to adjust to the TISA allocations.
- 2 5% Safety Net**

Any district that would experience more than a 5% decrease of funding from one year to the next qualifies for a safety net provision and will receive 95% of the funding from the prior year.
- 3 Funding Floor**

Any district whose 2026-27 TISA allocation is less than their prior year allocation and they experience a decline in non-virtual base ADM qualifies for funding floor. After initially qualifying for funding floor, districts qualify if they have a TISA allocation for the current year that is less than their prior year allocation.

Funding Floor

Initial qualification: To qualify for funding floor for the first time, a district must have both:

- A decrease in total TISA allocation; and
- A decrease in non-virtual base ADM.

Subsequent qualification(s): To qualify for funding floor in following years, a district must have only:

- A decrease in total TISA allocation.

Sample District	Funding
2025-26 TISA Allocation	\$74,000,000
2024-25 TISA Allocation	\$78,000,000
2025-26 Non-virtual Base ADM	50,000
2024-25 Non-virtual Base ADM	51,000
Decrease in TISA Allocation?	Yes
Decrease in Non-virtual Base ADM?	Yes
Eligible for Funding Floor?	Yes
2025-26 Funding Floor Final Allocation	\$78,000,000

CTE Funding Matrix

CTE funding is tiered based on Program of Study (POS) level and progression year through the program. The below funding levels are in the Governor's proposed budget but still need to go through the General Assembly's appropriations process.

- Programs of Study are leveled every three years based on **wage, demand,** and **skill** of aligned occupations.
- Progression years represent the advanced status of the course, beginning with introductory courses (Year 1) up to more intensive learning experiences (Year 4).

Program of Study Level	Progression Year			
	Year 1	Year 2	Year 3	Year 4
Level 1	\$5,000	\$5,050	\$5,150	\$5,300
Level 2	\$5,200	\$5,250	\$5,350	\$5,500
Level 3	\$5,400	\$5,450	\$5,550	\$5,700

Fiscal Capacity

- Funding is a shared responsibility between the state and local governments.
- The local contribution numbers provided in the February TISA projection is based on **last year's fiscal capacity (FY26)**.
- Updated FY27 fiscal capacity will not be available until **April**.
- Updated fiscal capacity can lead to shifts between state and local share.

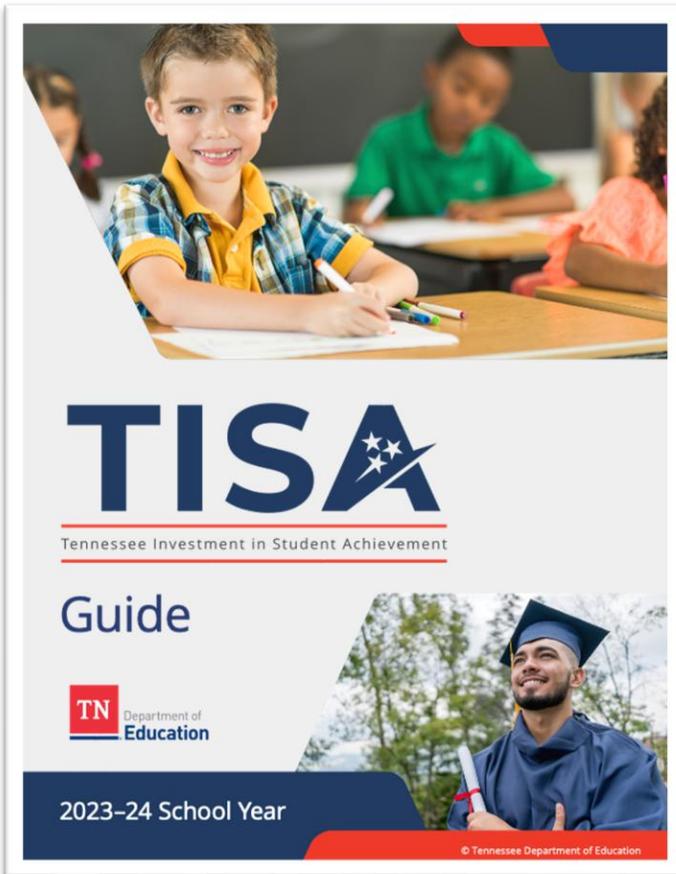


Resource Review

TISA Projections include the following resources:

- TISA Projection Letter
- TISA Projection Data File
 - TISA Calculator
 - CTE Calculator
 - 9 Period Summary
 - Student-level ADM for TISA weights and direct funding

More Information



- [2025-26 TISA Guide](#)
- [CTE Quick Guide](#)
- [Support Provisions Quick Guide](#)
- Email: tnedu.funding@tn.gov