

# How TISA Affects MNPS

The Governor's new funding formula is a step in the right direction because it provides more funding for economically disadvantaged (ED) students, English Learners, and special education students. Yet it still does not adequately meet Nashville students' needs. Here's why.

## TISA Is an Improvement over the BEP...

### More Money Invested in Public Education



The Governor's investment should place Tennessee in the middle of the pack for per pupil spending, a far cry from being 44th in the nation under the BEP.

### Weights for Different Student Needs



TISA includes additional funding for ED students as well as for multiple unique learning needs, including English Learners and special education students.

### A Solid Base Weight for All Students



TISA's base weight of \$6,860 - which will be allocated for every student in the state - is the second highest in the Southeast and in the top 15 nationally.

## ...But Some Aspects of the Formula Create Challenges for MNPS

### 1 The State's Narrow Definition of Economically Disadvantaged



The state uses "direct certification" in 3 federal assistance programs as its definition of ED students. There are 2 problems with that:

#### Onerous application process

On top of federal requirements, Tennessee requires families to regularly submit **additional paperwork justifying their eligibility**, an arduous process that deters many eligible applicants.

#### Ineligible students

Undocumented families are ineligible for these federal programs. Though we don't know the exact number of **undocumented children in MNPS**, it's likely a consequential percentage of our ED students.



58%

Yet based on the estimated family contribution for federal student aid, this is a more accurate percentage of ED students in our district.

Using the state's definition, just

36%

of MNPS students are defined as ED, meaning they will receive more funding under the new formula.

### 2 The Fiscal Capacity Model



TISA simplifies how fiscal capacity - the percent a local community must contribute to public education - is determined. The BEP averaged two models, which was complicated but fairer to most districts as each model favors some districts over others. The state chose to use the model that requires Nashville to contribute a greater share.

### 3 How Academic Success Is Rewarded



TISA includes outcome bonuses based on achievement levels, with added weights for ED students. In addition to student growth being our preferred metric, we also know that fewer MNPS students will be eligible for these funds due to the state's narrow definition of ED. As a result, this definition becomes doubly negative for MNPS.

## So Where Can We Go From Here?

If TISA becomes law, Nashville's biggest opportunities and challenges lie in implementation decisions. Three things to consider:

#### Expand the Definition of Economically Disadvantaged

The state's requirement for direct certification to define economically disadvantaged students does not adequately capture all the students who need the most support. At the end of the day, everyone wants *all* students to get the support they need to thrive in school.

Could the state include other more accurate indicators, such as TennCare participation, for ED students?

#### Encourage Thoughtful Debate about Balancing the City's Growth with its Fiscal Responsibilities

Nashville's property values have increased exponentially in recent years, partly because we have attracted large corporations to establish roots in our city. But when we eliminate or defer taxes for those corporations, we are increasing our fiscal capacity, which is driven in part by property taxes, without a comparable increase in our local tax base from those same corporations.

How can Nashville balance rapid economic growth with the increase in our fiscal capacity responsibility that comes with that growth?

#### Ensure Transparency around Fiscal Capacity and Model Calculations

Understanding how Nashville's ability to contribute to public education is calculated would benefit us all. Additionally, access to the data the state used to estimate Nashville's allocation would add a needed level of transparency and create more trust in the formula.

What needs to happen to build confidence and trust in the state's new model?