



# TACIR

The Tennessee Advisory Commission  
on Intergovernmental Relations



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## **MEMORANDUM**

**TO:** Commission Members

**FROM:** Cliff Lippard  
Executive Director

**DATE:** 18 September 2025

**SUBJECT:** Commission and Staff Updates

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### **Commission Update**

The ad hoc education finance subcommittee of the Tennessee Advisory Committee on Intergovernmental Relations (TACIR) met on August 28, 2025, to discuss distortions in TACIR's fiscal capacity calculation caused by virtual school student counts, the effect of Greenbelt property assessments on fiscal capacity, and the fiscal capacity of counties with large tourism industries. To aid further analysis on reducing the distortions, the subcommittee voted unanimously to recommend that the full commission recommend that the Tennessee Department of Education begin collecting residency information for virtual school students.

In addition, the members of the subcommittee asked Commission staff for further analysis regarding

- whether out-of-state students are enrolled in virtual schools in Tennessee,
- whether other states enroll out-of-state students in their virtual schools,
- the difference in costs between serving virtual school students and brick and mortar students in Tennessee and other states, and
- whether other states account for tourism in some way in their education funding formulas.

Staff will do further analysis to address these requests and will report back at a future commission meeting.

The minutes for the meeting and the materials that were provided to the subcommittee are included here as attachments:

- Attachment A: Subcommittee minutes
- Attachment B: Memo to Subcommittee
- Attachment C: Distortions in Fiscal Capacity Caused by Virtual Student Counts - Presentation

### **Staff Update**

Office Manager April Scivally has reached an important milestone, achieving 20 years of service to the State of Tennessee. And Information Technology Manager Mark Patterson recently completed advanced training in secure development. Please join me in congratulating April and Mark on these accomplishments.