



Family Handbook

A Guide to the Education Savings Account (ESA) Program



Tennessee
**Education Savings
Account Program**

Tennessee Department of Education | 2025-26 School Year

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Tennessee Education Savings Account (ESA) Program Overview

This handbook provides information to families participating in the Education Savings Account (ESA) Program. Families are responsible for following the policies and procedures outlined in this handbook. These guidelines are based on state law and State Board of Education (SBE) rules and are followed by the department.

The ESA Program allows eligible students who are zoned to attend Memphis-Shelby County Schools, Metro Nashville Public Schools, Hamilton County Schools, or a school that was in the Achievement School District (ASD) on May 24, 2019, to use state and local money toward education expenses, including tuition and/or fees, at approved ESA participating non-public schools.

In Spring 2019, the Tennessee General Assembly passed, and Governor Bill Lee signed into law, the Tennessee Education Savings Account (ESA) Pilot Program, codified at Tennessee Code Annotated (Tenn. Code Ann.) § [49-6-2601](#) et seq. The first Education Savings Accounts (ESAs) were awarded in August 2022. To implement the program, the Tennessee State Board of Education (SBE) approved rules, Chapter [0520-01-16](#), and the department developed procedures to implement the ESA Program. Links to the ESA Program Law and Rules are posted on the department's [ESA website](#).

For the 2025-26 school year, the student application will be available on February 3 through July 1, 2025, via an online application portal which is linked on the [ESA website](#). A paper application is also available by request to ESA.Applications@tn.gov. Please visit [here](#) for more information.

Contact Information

The Tennessee Department of Education (the department) can answer further questions regarding the Tennessee Education Savings Account (ESA) Program. See below for specific contact information.

Email:

ESA.Questions@tn.gov for all questions related to ESA school enrollment, ESA school application, and general ESA Program inquiries

ESA.Applications@tn.gov for all questions related to the ESA student application

ESA.Finance@tn.gov for all questions related to ESA funding and expenses

Phone: A list of ESA Team members and [contact information](#) is available on the [ESA webpage](#).



Student Eligibility

Students must meet the following eligibility requirements below to participate in the ESA Program.

- **Tennessee resident entering kindergarten through grade 12 (K-12)**
 - To be eligible to enter kindergarten, a child must be five years old on or before August 15 of the school year for which the child will be in kindergarten (State Board of Education Rule [0520-07-02](#)).
 - A child turning five years old between August 15 and September 30 may enter kindergarten if:
 - the child's parent or legal guardian requests the child be tested by the school where the child would attend kindergarten,
 - the principal or head of school finds through evaluation and testing that the child is sufficiently mature emotionally and academically to enter kindergarten, and
 - the school has a policy permitting early admission to kindergarten through testing.
 - Students admitted early to kindergarten must submit a letter of admission from the director of a state-approved Category I, II, or III non-public school with the application. The letter must indicate that through testing and evaluation, the child was found sufficiently mature, emotionally and academically, to enter kindergarten.
- **Meets one of the following enrollment requirements:**
 - Previously enrolled in and attended a Tennessee (K-12) public school for one **full** school year immediately before the school year for which the student receives an ESA,
 - For the purposes of this rule, one (1) full school year means a student is enrolled within 10 school days of the district's start date. For example, if Memphis-Shelby County Schools has a start date of August 5, 2024, and a student enrolls on August 16, 2024, a student would meet the one (1) full school year requirement, given that they completed the remainder of the school year. If a student is enrolled on August 19, 2024, they would **not** meet the one (1) full school year requirement. Additionally, if a student has gaps in enrollment that sum to more than 10 school days throughout the year, the student would **not** meet the one (1) full school year requirement.
 - Previously enrolled in and attended a Tennessee (K-12) public school for the entire school year in 2019-20, 2020-21, or 2021-22
 - Eligible for the first time to enroll in a Tennessee (K-12) public school,
 - For the purposes of this rule, if a family moved to Tennessee after the first 10 business days of the district's start date, a family is considered eligible in the year in which they moved to Tennessee, if they choose to apply to the program, and is also considered eligible for the next school year under this requirement. For example, if the Memphis-Shelby County Schools has a start date of August 5, 2025, and a family moves to Tennessee on August 20, 2025, the family would be considered "eligible for the first time to enroll in a Tennessee school" for both the 2025-26 and 2026-27 school years.

- Was eligible to enroll in a Tennessee (K-12) public school for the first time in one of the following school years: 2019-20, 2020-21, or 2021-22 or
- Received an ESA in the previous school year.
- **Currently zoned to attend a school in Memphis-Shelby County Schools, Metro Nashville Public Schools, Hamilton County Schools, or a school that was in the Achievement School District (ASD) on May 24, 2019.**
- **Member of a household with an annual income for the previous year that does not exceed twice the federal income eligibility guidelines for free lunch (See abridged chart below.)**

Note: Students identified as economically disadvantaged pursuant to T.C.A. § 49-3-104(10) will automatically meet income eligibility requirements. This includes students classified as one of the following: a homeless, foster, runaway, migrant student, or a student eligible for free or reduced-price school meals or milk through the direct certification eligibility guidelines established pursuant to 42 U.S.C. §§ 1751-1769. Students from households that receive benefits under the Temporary Assistance for Needy Families (TANF) Program or the Supplemental Nutrition Assistance Program (SNAP) are also eligible.

Income Eligibility Chart

Household Size	Twice the Federal Free Lunch Income Guidelines
2	\$53,144
3	\$67,132
4	\$81,120
5	\$95,108
6	\$109,096
7	\$123,084
8	\$137,072
Each additional member	\$13,988

More information regarding student income eligibility is available online at tn.gov/education/esa.

Student Eligibility Examples

The examples below are meant to assist in identifying whether a student is eligible for an ESA. These examples are not meant to be an exhaustive list. For further questions, email ESA.Applications@tn.gov.

	Cara, who is about to be a high school senior, lives in Memphis and received an ESA the previous school year. Her zoned school is in Memphis-Shelby County Schools. As long as her family meets the income requirements, she will be eligible for an ESA.
	Helena is starting middle school, and her family moved from Atlanta, Georgia to Nashville, Tennessee this summer. Her new address will have her zoned to attend a Metro Nashville public school. If Helena's family meets the income requirements, she will be eligible for an ESA because this is the first time she is enrolling in a Tennessee school.
	Jason has been attending Pre-K at a local non-public school in Shelby County and is zoned to attend a Memphis-Shelby County public school. If Jason's family meets the income requirements, he is eligible for an ESA because he is entering kindergarten, and this is the first time he is eligible to enroll in a Tennessee public school.
	Trejean attended public school in Knoxville last year and his family recently moved to Nashville. Trejean's new address assigns him to Metro Nashville Public Schools. As long as his family meets the income requirements, he will be eligible for an ESA.
	Desiree is zoned to attend Memphis-Shelby County Schools and was homeschooled last year for the second grade. She is not eligible for an ESA. Desiree would need to return to a Tennessee public school for one full school year before she is eligible.
	Thomas is zoned to attend Metro Nashville Public Schools, and attended a non-public school in Nashville, Tennessee last year for seventh grade but did not apply for an ESA. He also attended a non-public school in the 2019-20, 2020-21, and 2021-22 school years. He is not eligible for an ESA and would need to return to a Tennessee public school for one full school year before he is eligible.
	Lupe is a 5 th grader and attends a non-public school in Davidson County. She has attended a non-public school for the past few years but attended a public school in the 2020-21 school year. She is zoned to attend Metro Nashville Public Schools. As long as her family meets income requirements, she is eligible for an ESA.

Application and Admission

Family Application Calendar	
Date	Event
February 1, 2025	Fall Student Application Opens
May 1, 2025	Fall Student Application Priority Deadline
July 1, 2025	Fall Student Application Window Closes
July 31, 2025	Fall Student Enrollment Deadline
August 1, 2025	Winter Student Application Window Opens
December 1, 2025	Winter Student Application Closes
December 31, 2025	Winter Student Enrollment Deadline

***If a scheduled date falls on a weekend or a holiday, the date will be adjusted to the following business day.**

Student Application Windows

The application for students to participate in the ESA Program each year consists of two windows:

- **Window 1 (fall enrollment):** Annually, the fall application window will open the first week of February and close on the first week of July. For the 2025-26 school year, the application will open on February 3, 2025, and close on July 1, 2025, with a priority deadline of May 1, 2025. All families who submit applications and are approved during this time can enroll ESA students beginning in Fall 2025.
- **Window 2 (winter enrollment):** Annually, the winter application window will open the first week of August and close the first week of December. All families who submit applications and are approved during this time can enroll ESA students beginning in January 2026. Families approved to participate mid-year will receive ESA funds prorated based on the enrollment period.

Student Application Timeline

The state will announce its open enrollment window(s) each year. Timelines for the ESA Program will be posted on the ESA [webpage](#).



ESA Program Timeline for Families		
	FALL 2025	WINTER 2026
 Student Application OPENS	FEBRUARY 3 2025	AUGUST 1 2025
 Student Application PRIORITY DEADLINE	MAY 1 2025	NOT APPLICABLE
 Student Application FINAL DEADLINE	JULY 1 2025	DECEMBER 1 2025
 Student Enrollment DEADLINE	JULY 31 2025	DECEMBER 31 2025
 Student's Account Holder CONTRACT DEADLINE	SEPTEMBER 15 2025	FEBRUARY 15 2026

*The priority deadline is for student applications if an enrollment lottery is needed on May 1, 2025.
Applications are processed in the order they are received.

To apply for an ESA, the parent of an eligible student (or an eligible student who has reached the age of 18) must submit an application, found online at tn.gov/education/esa.

Applications can be submitted in the following ways:

- Online:** The online portal to submit an application can be accessed at app.esa.tnedu.gov. Parents or guardians will need an Internet connection and can access the portal through a smart phone or computer.
- In person:** Paper applications can be requested via email at ESA.Applications@tn.gov and dropped off in person at the Tennessee Department of Education located in Andrew Johnson Tower at 710 James Robertson Parkway, Nashville, TN 37243. Applications should be in an envelope and can be left with the front desk.

- **By mail:** Applications submitted by mail will be reviewed by the postmark to determine window application was submitted. Applications can be mailed to the Tennessee Department of Education at the following address:

ESA Program c/o TDOE
Andrew Johnson Tower, 10th Floor
710 James Robertson Parkway
Nashville, TN 37243

All applicants must show that the student is a member of a household with an annual income for the previous year that is not more than twice the [federal income eligibility guidelines for free lunch](#). For more information, see the income chart posted on page 6 of this handbook. These guidelines are updated annually each spring and will be updated on the website once released. An applicant must submit one document for income verification.

Options for showing proof of income are limited to the following:

- **Federal tax return (Form 1040, most recent for 2024)** Please note: The name, address, entire list of dependents, and Line 9 of the document must be visible. Individuals listed on the 1040 are considered household members, and the total income (line 9) is the amount used for calculating income eligibility with household size. The student's name should be listed as a dependent.
 - If a child's parents are divorced, *both* parents should provide a 1040 and be listed on the student application if any of the following apply:
 - a court-mandated parenting plan dictates that each parent has the child for 50% of the time,
 - a court-mandated parenting plan dictates that a parent with less than 50% of the time will claim the student as a dependent on his or her taxes; or
 - For households with parents filing taxes separately, the 1040 of both parents should be submitted.

Temporary Assistance for Needy Families (TANF) - current benefits documentation should list the name of the parent and student, or

Supplemental Nutrition Assistance Program (SNAP) current benefits documentation should list the name of the parent and student, or

TennCare Medicaid (Please note: There are limited TennCare program types that will demonstrate meeting the income eligibility requirement for ESA, and the student must be listed as the recipient of the benefits).

Verification letter from the local school district of eligibility for services pursuant to the McKinney-Vento Act.

All applicants must show proof of residential address as part of the application. Applicants can do this by submitting **two** of the following. At least one of the documents provided must be issued within the last 90 days.



Tennessee Education Savings Account Program

Documentation Required for Residency Eligibility Verification

Please Provide TWO (2) Proofs of Residency

The following is a list of documents that may be used as proof of residency for the Tennessee Education Savings Account (ESA) Program. Both documents must show your current address and contain the name of the parent or guardian listed on the application.

At least one (1) document must be current or have been updated within 90 days of application.

GROUP I

Issued within the **LAST 90 DAYS**

- **Utility Bills or Connection Notices**
Water, Gas, Electric, Internet, Garbage Collection
- **Installment Loan Statement**
Automobile, Mortgage, Personal, Student, Bank
- **Insurance Bill or Policy**
Homeowner's or Renter's insurance, Automobile insurance, Health insurance
- **Affidavit of Residence**
Landlord affidavit of residence (signed and notarized),
- **Fiscal Documentation**
Employment Check Stub, Bank Statement
- **Agency Documentation**
Social Security, Disability, TANF, SNAP, Public Assistance/Government Benefits
- **Court Documentation**

GROUP II

Issued within the **LAST 365 DAYS**

- **Rental or Mortgage Contract**
Deed of Sale for Property, Mortgage Contract, Rental or Lease Agreement (signed by landlord and resident)
Note: Any handwritten contracts or agreements must be notarized
- **Tennessee Voter Registration Card**
- **Tax Documentation**
2024 IRS Tax Return (Form 1040), Real Estate/Property Tax Receipt

NON-EXPIRED

- **Tennessee Identification Cards**
Driver License, Identification License or Card, Handgun Carry Permit



Note: If your family is currently experiencing homelessness, please reach out to our team at ESA.Applications@tn.gov for assistance.

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tn.gov/education/esa

- If the child attended any school outside of Tennessee in 2024-25, include the child's 2024-25 transcript with the application.
- A verification letter from the local school district of eligibility for services pursuant to the McKinney-Vento Act can also be used for proof of residency for the ESA Program.
- Any additional documentation for unique circumstances, please email ESA.Applications@tn.gov or contact a member of the [ESA team](#) for guidance with unique circumstances.

Applicant Status Definitions

Pending TN ESA Review	The application has been received by the department and is currently under review without a finalized decision.
Missing Document(s)	The application has missing documentation that requires submission.
Conditionally Eligible	The program is limited to 7,500 Education Savings Accounts in the 2025-26 year; if the number of approved and conditionally eligible applications exceeds the number of ESA seats, a lottery will be conducted. If a lottery takes place, this student will enter the lottery. If this student is currently in a Tennessee public school, the department must verify that this student is enrolled in and completes the entire 2024-25 school year. If the student completes the year in a public school, they will be deemed "eligible" and would enter a lottery, should one be necessary.
Eligible	The program is limited to 7,500 Education Savings Accounts in the 2025-26 year; if the number of approved and eligible applications exceeds the number of ESA seats, a lottery will be conducted. If a lottery takes place, this student will enter the lottery.
Approved	Application has been approved, and the account holder can begin the enrollment process.
Expired	• Applicant has declined the Education Savings Account Program following approval. • Applicant has withdrawn from the Education Savings Account Program following approval. • Applicant did not submit enrollment information prior to the deadline. • Applicant did not submit an in-progress application prior to the deadline. • Application has missing documentation that was not submitted within 10 business days and therefore has not received a final determination. • Applicant did not submit an appeal within 10 business days from the notice of the application denial.
Denied	The application has been denied due to being ineligible for the ESA Program and does not elect to appeal the department's decision.
Appealed	The application was denied, and the applicant has filed for an appeal that is currently being reviewed.

How will I know if my student's application has been approved or denied?

Families can review the status of their application by logging into the online application [portal](#). Following the completion of application review by the ESA Applications team, families will receive an email with a decision and next steps.

An approval for an Education Savings Account does not mean that a student is accepted to a participating non-public school. A participating non-public school's decision to accept or reject a student is the sole decision of the school.

How long will the review process take?

The review process may take up to 30 business days from the date the application window closes, based on the number of applicants. Applications will be processed in the order they are received.

Can an ESA be used for a participating non-public school outside of Shelby, Davidson, or Hamilton counties?

Yes. While a student must be zoned to attend Memphis-Shelby County Schools, Metro Nashville Public Schools, Hamilton County Schools, or a school in the Achievement School District (ASD) as of May 24, 2019, the ESA may be used at an out-of-county Category I, II, or III non-public school.

Do eligible students have to reapply to participate in the ESA Program each year?

Yes. Each year, participating students must reapply to participate in the ESA program. Account holders must verify their address and income eligibility every year.

Will the state issue families an IRS form 1099 for the ESA award?

No. Families will not be issued an IRS form 1099 as a result of receiving an ESA.

School Eligibility

ESA funds can be used to pay tuition at a Category I, II, or III participating non-public school. A list of all Tennessee non-public schools can be found [here](#).

Category I, II, or III non-public schools may apply to the department to become a participating school. A list of categories, definitions, and approved accrediting agencies can be found [here](#).

Category I: Schools approved by the department.

Category II: Schools approved by an accrediting agency which has been approved by the Tennessee State Board of Education (SBE).

Category III: Schools that are regionally accredited as identified by the SBE.

In order to become a participating ESA school, a principal, head of school, or designee must apply to the ESA Program. Category I, II, or III non-public schools can learn more about the ESA Program and school requirements on the [Schools & Service Providers](#) page of the ESA website.

Non-public schools that have been approved to participate are listed on the [Families & Students](#) page of the ESA website. Parents are encouraged to check the list of ESA participating non-public schools when considering where to apply or spend an ESA; not all eligible schools participate in the program.

Terms of the ESA

A student **currently receiving ESA funds remains** eligible for the ESA Program **until** the student:

- enrolls in a public school,
- enrolls in a Category IV or V school or a non-public school not approved under the rules of the State Board of Education,
- the student moves to a local school district that is not in a qualifying zone, (Account holders must reapply to the ESA Program **each year** and verify their home address. This process is called **renewal**.),
- fails to verify that household income meets the program's requirements (Account holders must reapply to the ESA Program **each year** and verify their income. This process is called **renewal**.),
- is suspended or terminated from the ESA Program,
- graduates from high school with no funds remaining in an ESA account or withdraws from high school. A student may continue in the program until such time as he or she receives a high school diploma or receives a high school equivalency credential approved by the State Board of Education. Certificates of attendance do not constitute graduation from high school for the purpose of this program.
- reaches 22 years of age, (The student may complete the school year in which he or she reaches the age of 22, as long as he or she will not be enrolled in the program past August 15 of the next school year.), or
- is no longer enrolled in a Category I, II, or III non-public school.

Note: A participating student may voluntarily withdraw from the program at any time. If a participating student withdraws, the participating school must notify the department within five business days of withdrawal using the online form found [here](#). Additional guidance can be found [here](#).

Special Education Services

Student Enrolling in the ESA Program with an IEP or 504

If a student has an Individualized Education Program (IEP) or 504 plan, the student is eligible and encouraged to apply. Before enrolling in the ESA Program, the student is required to enroll in a non-public school. Non-public schools are not required to follow the Individuals with Disabilities Education Act (IDEA) and may not be required to follow Section 504 of the Rehabilitation Act. Please be aware of the following:

- Non-public schools are not required to follow the IDEA. If a student had an IEP in public school, enrollment in the ESA Program means that the student will no longer be entitled to a Free Appropriate Public Education (FAPE) provided through an IEP. The student may instead be eligible for equitable services provided through an Individual Service Plan (ISP). The distinction between an IEP and an ISP is that students with an IEP are required to receive *all* the special education and related services that the student needs to receive FAPE, but students with an ISP are only eligible to receive *some* special education and related services, depending on the amount of funding that the school district has set aside for non-public students. The school district involved will engage in a process called “consultation” to determine which services will best support non-public school students with disabilities who attend school within the area served by the district. For students who will benefit from the services, the district will schedule a meeting and develop an ISP. For more information about equitable services, ISPs, and the consultation process, please see the following question and answer document from the United States Department of Education [here](#).
- Non-public schools are only required to follow Section 504 if the school receives federal funding. Some non-public schools may not receive any federal funding and are therefore not required to implement the 504 plan that a student had in place in public school.

For more information on students with disabilities participating in the ESA Program, please see the resource titled [FAQ for Serving Students with Disabilities in ESA Program 2024](#) available on the ESA website.

Parent and Student Rights Waived in the ESA Program

By signing the ESA account holder contract and accepting ESA funds, account holders with students previously determined eligible for special education and related services under the Individuals with Disabilities Education Act (IDEA) acknowledge the following:

- that the student shall not be determined ineligible for special education and related services under the IDEA due to the student’s participation in the ESA Program,
- that the student will not be served through an Individualized Education Program (IEP) and will not be entitled to receive a Free Appropriate Public Education (FAPE) through either the local education agency of residence or through the non-public school in which the student enrolls; any IEP that was in effect prior to enrollment in the ESA Program will no longer be effective, and
- that the student could be eligible for an Individual Service Plan (ISP) and equitable services through the local education agency serving the area in which the non-public school is located.

Additionally, the non-public school enrolling an ESA student who was previously served through a Section 504 plan may or may not be required to implement that plan.

Students Reaching the Age of Majority

Once your student becomes a legal adult on his or her 18th birthday, they are no longer considered a minor, and your student will assume certain rights previously held by you, the parent or guardian. This includes the right to sign contracts and make decisions regarding the student's education, including whether to remain enrolled in an Education Savings Account (ESA). Because of this, *well in advance* of your student reaching 18 years-of-age, decisions must be made about the management of your student's ESA to remain compliant with state law, federal law, and ESA requirements.

Upon reaching the age of majority, your student can choose to become the account holder and assume all the rights and responsibilities of managing their own ESA. However, if your student determines that they want you, the parent or guardian, to retain control of their ESA account as the account holder, your student can sign a power of attorney or you, as the parent or guardian, can obtain a conservatorship through a court proceeding, which is a lengthier process. **Please be advised: A power of attorney is only valid if the adult student has the mental capacity to understand the nature and purpose of the document and can knowingly designate you as the student's power of attorney.**

At age 18, the student or parent must complete one of the following options to continue participation in the ESA program during the current year, to renew an ESA for the coming school year, or to retain an ESA for post-secondary participation. Failure to choose an option below and provide the necessary documentation could result in a hold being placed on the ESA account and/or potentially losing some or all your ESA funds.

- **Option 1: Retain Parental Control as Account Holder**

- The parent or legal guardian will submit either 1.) a power of attorney signed by the student and two disinterested witnesses or notarized, OR 2.) a court order of conservatorship. Whichever of these two documents is submitted must explicitly state that the following rights have been transferred from the student to the parent or legal guardian:
 - 1) educational decisions regarding placement and participation of the student in the ESA Program; and
 - 2) banking and financial decisions and transactions as limited to management, control, and access of the ESA funds.
- Both a power of attorney or a conservatorship can take time to obtain. If you intend to obtain a power of attorney, you can have the document prepared prior to the student's 18th birthday. The student can sign the document on his or her 18th birthday, and it will take effect immediately. If you intend to obtain a conservatorship, the petition to appoint a conservator can be prepared in advance to be filed on the student's 18th birthday. The notarized power of attorney or order of conservatorship must be provided in full to ESA.Questions@tn.gov.

- **Option 2: Transfer Account Holder to Student**

- If your student decides to manage his or her own ESA account, the student needs to complete the following documents when he or she reaches age 18 years old:
 - ESA Program Application
 - Program Assurances
 - Account Holder Contract
 - Funding Pre-Approval Form
 - Family Educational Rights to Privacy Act (FERPA) Waiver
 - E-wallet account access

For questions, contact ESA.Questions@tn.gov or see the [contact list](#) on the ESA [website](#).

Updating Account Holder and/or Student Information

Account holders must regularly verify and update contact information on file to ensure regular and timely communications from the department. This includes, but is not limited to, any changes made to the following:

- email address,
- physical address,
- phone number,
- student's grade level, or
- change in legal status (i.e., Conservatorship or Power of Attorney documentation).

Account holders must report any of the changes above to the department by emailing ESA.Questions@tn.gov.

ESA Use of Funds

Account Holder

The funds received through the ESA Program constitute a need-based financial aid award provided for use on qualified educational expenses per Tenn. Code Ann. § [49-6-2603\(i\)\(1\)](#). ESA allocations are managed by the account holder. An **account holder** is the parent, legal guardian, or student who has reached the age of eighteen. The account holder is responsible for signing the ESA Program contract and is responsible for complying with the requirements of the ESA Program. These responsibilities include completing the expense pre-approval budget sheet, complying with Tennessee Comprehensive Assessment Program (TCAP) requirements, and other aspects of participation in the program as determined by the department.

A student who is approved for an ESA and enrolls in a state approved Category I, II, or III non-public school is the direct recipient of ESA funds. Although a parent or legal guardian manages the ESA account for students under the age of 18, the ESA distributions and allocations belong to the student. Further, an account holder is not the recipient of ESA funds unless the account holder is a student who reaches eighteen years of age or older.

Determination of Allocations

The maximum annual amount a participating student is entitled to under the ESA Program shall be equal to the amount representing the per-pupil state and local funds generated and required through the Tennessee Investment in Student Achievement (TISA) funding formula for the local education agency where the student resides, or the statewide per pupil average of required state and local TISA funds, whichever amount is less according to Tenn. Code Ann. § [49-6-2605](#) and State Board of Education Rule [0520-01-16-.04\(7\)](#). The amount of an ESA may change from year to year as the amount is reviewed and determined annually according to local and state funding formulas. The department anticipates releasing these numbers in mid-summer annually. For the 2024-25 school year, each approved student zoned to attend a school in the Memphis-Shelby County School District and the Metro Nashville School District received \$9,423.58; each approved student zoned to attend a school in the Hamilton County School District received \$9,346.05.

Funds in an ESA may be used only for educational purposes.

Use of Funds in a Participating Category I, II, or III School

A list of ESA participating schools is available on the [ESA website](#). These are allowable uses of ESA funds for students enrolled at ESA participating Category I, II, or III non-public schools:

- tuition fees at a participating non-public school; *(ESA funds may not be used for tuition at a non-participating school.)*
- registration fees at a participating non-public school; *(ESA funds may not be used at a non-participating school.)*
- application fees at a participating non-public school; *(ESA funds may not be used at a non-participating school.)*
- required school uniforms at a participating non-public school; *(ESA funds may not be used for uniforms at a non-participating school.)*
- required textbooks at a participating non-public school; *(ESA funds may not be used for textbooks at a non-participating school.)*
- tuition and fees for approved educational summer education programs and specialized after-school education programs; *(ESA funds cannot be used for non-educational childcare programs.)*
- tutoring services provided by an individual or agency who meets department requirements; *(An individual must hold an active TN teacher license, and an agency must have accreditation through one of the groups listed in [SBE Rule 0520-01-16-.05\(1\)\(c\)\(2\)](#).)*
- tuition and fees at an eligible postsecondary institution; *(An eligible postsecondary institution must be operated by the Board of Trustees of the University of Tennessee, the Board of Regents of the state university and community college system, a local governing board of trustees of a state university in this state, or a private postsecondary institution accredited by an accrediting organization approved by the State Board.)*

- textbooks required by an eligible postsecondary institution; *(An eligible postsecondary institution must be operated by the Board of Trustees of the University of Tennessee, the Board of Regents of the state university and community college system, a local governing board of trustees of a state university in this state, or a private postsecondary institution accredited by an accrediting organization approved by the State Board.)*
- transportation to and from a participating non-public school or education provider; *[Fees are paid only to a commercial fee-for-service provider (e.g., a bus); this does not include private transportation by a parent, family member, or participating student.]*
- fees for early postsecondary opportunity courses, exams, or exams related to college admission; *(Fees do not include room and board, food, or consumable school supplies.)*
- educational therapies or services for participating students provided by a department-approved licensed therapist;
- computer hardware, technological devices, or other department-approved technology fees; *(This is applicable only if the technology is used for educational needs, is purchased at or below fair market value, and is purchased through a participating school, non-public school, or provider.)* Technology purchases are limited to one device per student per year.
- ESA management fees provided by a non-profit financial management organization approved by the department, not to exceed 2% of the ESA funds in a fiscal year.

Use of Funds in a Non-participating Category I, II, or III School

These are allowable uses of funds for students in state-approved non-participating schools:

- tuition and fees for approved educational summer programs and specialized after-school educational programs; *(Fees cannot be used for non-educational childcare programs.)*
- tutoring services provided by an individual or agency who meets department requirements; *(An individual must hold an active TN teacher license and an agency must have accreditation through one of the groups listed in SBE Rule [0520-01-16-.05\(1\)\(c\)\(2\).](#))*
- educational therapies or services for participating students provided by a department-approved licensed therapist;
- transportation to and from a participating school or education provider; *[Fees are paid only to a commercial fee-for-service provider (e.g., a bus); this does not include private transportation by a parent, family member, or participating student.]*
- tuition and fees at an eligible postsecondary institution; *(An eligible postsecondary institution must be operated by the Board of Trustees of the University of Tennessee, the Board of Regents of the state university and community college system, a local governing board of trustees of a state university in this state, or a private postsecondary institution accredited by an accrediting organization approved by the State Board.)*

- fees for early postsecondary opportunity courses, related exams, or exams related to college admission; (*Fees do not include room and board, food, or consumable school supplies.*)
- textbooks required by an eligible postsecondary institution; (*An eligible postsecondary institution must be operated by the Board of Trustees of the University of Tennessee, the Board of Regents of the state university and community college system, a local governing board of trustees of a state university in this state, or a private postsecondary institution accredited by an accrediting organization approved by the State Board.*)
- computer hardware, technological devices, or other department-approved technology fees; (*This is applicable only if the technology is used for educational needs, is purchased at or below fair market value, and is purchased through a participating school, non-public school, or provider.*) Technology purchases are limited to one device per student per year.
- ESA management fees provided by a non-profit financial management organization approved by the department, not to exceed 2% of the ESA funding in a fiscal year.

Please note, students in a non-participating school are required to submit a mid-year school enrollment verification.

Unallowed Use of ESA Funds

The expenses listed below may not be paid with ESA funds. These include, but are not limited to:

- any late fees or costs due to canceled or missed appointments;
- food;
- before-school and/or after-school care;
- summer camp (different from an academic summer school);
- extracurricular and athletic fees;
- field trips; or
- personal transportation.

Computer Hardware/Technological Device Restrictions

- Account holders may **not** use ESA funds to purchase internet services or any type of software. Please note: If the software is part of an approved expense (i.e., a bundled package), it may be allowable as it is *not* an additional expense.
- Technology purchases must be made directly through the e-Wallet portal in the Marketplace. Families must confirm receipt of all technology and uniform deliveries in the portal. To do this, click on Marketplace Orders and then click the “Confirm Receipt” button.
- Technology purchases are limited to **one device per student** each school year.

Fraud, Waste or Abuse Reporting

Citizens and agencies are encouraged to report fraud, waste, or abuse in state and local government.

Any member of the public can submit information regarding fraud, concerns, or other complaints concerning the Tennessee Education Savings Account (ESA) Program. Potential cases of fraud can be reported electronically using [this form](#). The ESA team can redirect cases that do not match our investigation criteria to the Tennessee Comptroller's Office.

Note: Responses are monitored from [this form](#). Identifying information, including contact information, is optional but may help with follow-up, if needed. The ESA Program implements the policies signed into law through the Tennessee General Assembly and does not have the discretion to change eligibility requirements, funding amounts, residency zoning, or other such constraints as outlined in T.C.A. §§ [49-6-2601](#) et seq.

NOTICE: This agency is a recipient of taxpayer funding. If you observe an agency director or employee engaging in any activity which you consider to be wasteful, inefficient, or fraudulent activities, please report these to the Tennessee Comptroller's Office for Fraud, Waste, and Abuse at: <https://www.comptroller.tn.gov/office-functions/investigations/fraud-waste-and-abuse.html> or call **1-800-232-5454**.

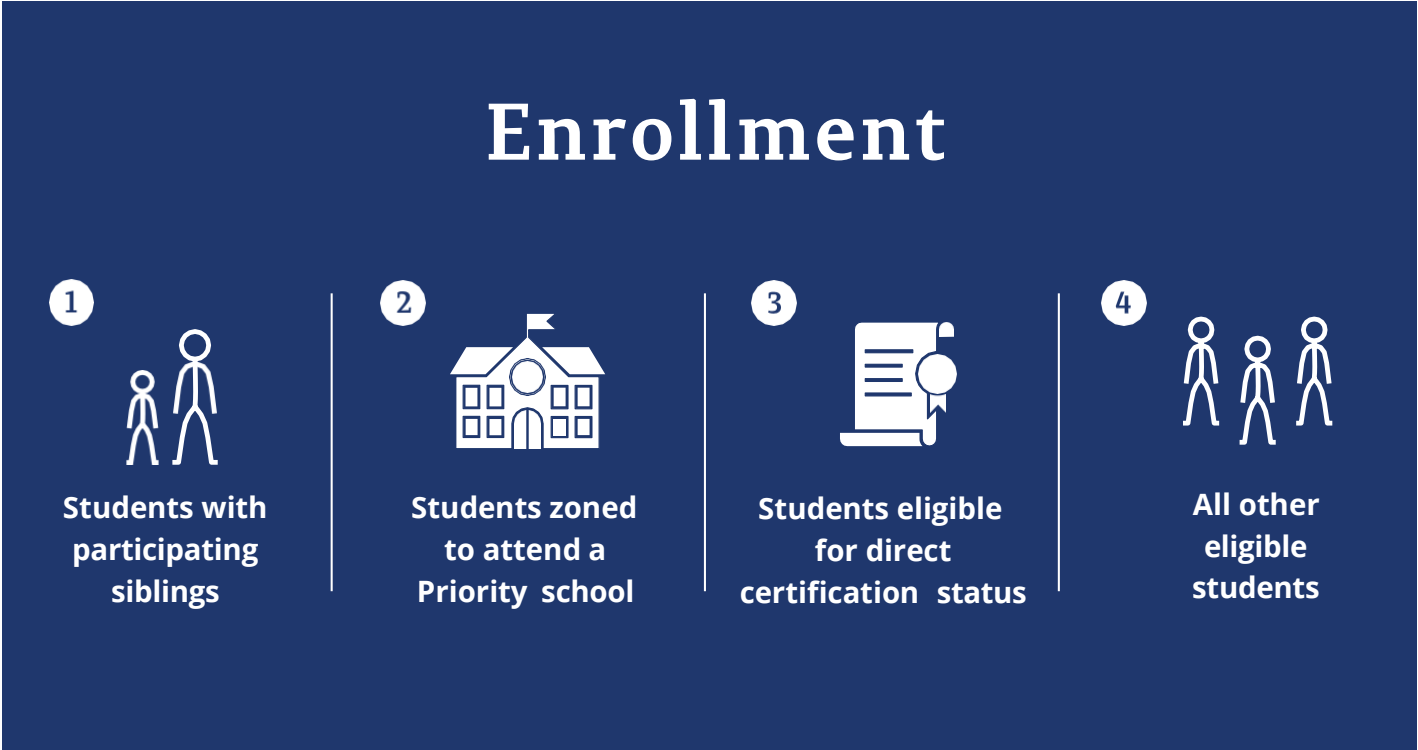
Enrollment Lottery

If the department receives more eligible applications than the maximum number of students that may participate in the program for that school year, the department will hold an enrollment lottery. Students who participated in the program in the previous school year will automatically be re-enrolled in the program if renewal requirements are met. In other words, these students will not have to enter the lottery.

If an enrollment lottery is conducted, enrollment preference will be granted in the below order:

1. Eligible students who have a sibling participating in the program;
2. Eligible students zoned to attend a Priority School as defined by the state’s accountability system at the time of the enrollment lottery;
3. Eligible students who are eligible for direct certification status; and
4. All other eligible students.

For more information, see [this document](#).



Participating Family Responsibilities

Enrollment in a Participating ESA School

Once a student's application is approved, the parent, guardian, or student over 18 years old must apply and be accepted to an approved ESA participating non-public school or an ESA eligible approved non-public school. The list of approved ESA participating non-public schools in each region is available on the ESA [website](#).

Once the student is accepted and enrolled in an approved ESA participating non-public school, approved families may spend ESA funds on tuition, textbooks, technology, and other pre-approved educational expenses. **Be aware that participating schools may not accept ESA students for all grades the school serves.** Parents (or students who have reached the age of 18) must then select their school in the ESA [portal](#) before an ESA is established. Once verified, the family will receive a prompt to sign the ESA account holder contract and will be able to move forward in the process of expending funds.

Enrollment in a Non-Participating Non-Public School

If a student is enrolled in a state approved non-participating Category I, II, or III non-public school, ESA funds will only cover certain eligible expenses. ESA funds cannot be used for tuition payments at non-participating schools. A list of state-approved non-public schools to choose from can be found [here](#). Please refer to page 19 of this ESA Family Handbook for more information on allowable expenses in a non-participating school.

Once an ESA application has been approved, if the parent (or student who has reached the age of 18) intends on utilizing the ESA funds at a non-participating school, the account holder must select the non-participating school option in the portal and submit an enrollment contract to a member of the ESA Team. Note: Students in grades 3-11 are required to take the Tennessee Comprehensive Assessment Program (TCAP) assessment in the spring. Additionally, the parent (or student who has reached the age of 18) must notify the department at ESA.Questions@tn.gov upon the high school graduation of the student. Students in a non-participating school must submit a mid-year school enrollment verification.

Enrollment in Category IV and V non-public schools, independent home schools, or non-public schools not approved in Tennessee is not permitted for students participating in the ESA program.

For Enrollment in Both Approved ESA Participating and Non-Participating Non-Public Schools

More information about next steps in the enrollment process is available on the ESA webpage [here](#). A video with instructions on how to select your school in the portal is available [here](#).

The account holder must sign the ESA account holder contract and complete the budget sheet to move forward in the process of expending funds. More information is provided [here](#).

Additionally, each family will be responsible for working with the ESA Program team to ensure the participating student (account holder) takes the TCAP assessment in math and English language arts (ELA) and submits the following data throughout the year:

- Graduation Information
- Other requested data

FERPA Waiver

The Family Educational Rights and Privacy Act of 1974 (FERPA) is the federal law that protects the privacy of student education records. This form, provided in the application, allows the ESA team to discuss account holder information with pertinent stakeholders, such as officials at the enrolled school, other state departments, etc. The department ensures that student information is kept confidential and secure.

ESA Account Holder Contract

Account holders must sign the ESA Program contract in order to receive the ESA funds. The contractual term of the ESA is projected to begin July 1 and end on June 30 of each year. If the department determines that the account holder has violated the terms of the contract or failed to comply with the requirements set forth in the Act, the Rule, or the *ESA Family Handbook*, the department is authorized to suspend or terminate the ESA.

A student who is approved for an ESA and enrolls in a Category I, II, or III non-public school is the direct recipient of ESA funds. Although a parent or legal guardian manages the ESA account for students under the age of 18, the ESA distributions and allocations belong to the student.

Further, an account holder is not the recipient of ESA funds unless the account holder is the ESA student who has reached eighteen years of age or older.

Contracts with Schools

Any contract a family signs with a school is the responsibility of the parties represented in the contract. Families need to carefully read the terms of the contract to ensure they understand refunds, the payment schedule, etc. prior to signing. It is the responsibility of the family to ensure that the terms of the contract are fulfilled. In some schools, ESA funds may not pay for the entire cost of tuition. Account holders are responsible for ensuring the account is paid in full. Any tuition or fees charged by a participating school or eligible postsecondary institution that exceed the ESA amount shall be the responsibility of the account holder.

The ESA Program and Tennessee Department of Education are not parties in the school-family contract and cannot void a private contract, give legal advice, or arrange payment schedules.

Application Assurances

When a parent (or student who has reached the age of 18) submits an application to participate in the ESA Program, the prospective account holder agrees to the following assurances:

- **Provide an education for the participating student that meets the school attendance requirement in state law** [[Tenn. Code Ann. § 49-6-3001\(c\)\(1\)](#)] through enrollment in a state board-approved Category I, II, or III non-public school.
- **Comply with the requirement that participating students in grades 3-11 participate in the Tennessee Comprehensive Assessment Program (TCAP) tests** for Mathematics and English Language Arts each year of enrollment in the program.

- **Not enroll the participating student in the Individualized Education Account (IEA) Program** during the time the student is enrolled in the ESA Program.
- **Understand that participation in the program waives the student's right to receive specially designed instruction and related services according to the Individuals with Disabilities Education Act (IDEA).** The student will not be entitled to a free appropriate public education (FAPE) from the public school district, and the availability of disability-related services may be limited.
- **Follow the acceptable uses of ESA funds and the responsibilities of the parent of an eligible student** (or eligible student who has reached the age of 18).

Academic Accountability

Participating schools are held accountable to the ESA account holder (i.e., parent or guardian of participating student or student who has reached the age of 18) for meeting the educational needs of the participating student. This means that, at a minimum, **the participating school must annually provide the account holder with a written explanation of the participating student's progress.**

Annual Testing

Participating schools must ensure that participating students in grades 3 through 11 are administered the Tennessee Comprehensive Assessment Program (TCAP) tests in math and English language arts each year the student is enrolled in the ESA Program. Each school must designate a testing coordinator, regardless of the grades in which ESA students are enrolled. The school's testing coordinator will be trained by department staff to administer the assessments.

The participating school may NOT charge account holders a fee to administer the state assessments. Any assessment fees charged by the participating school for tests other than the required state assessment must be included in the fee schedule submitted with the school's application to participate in the ESA Program and must be itemized on the receipt given to account holders. Account holders may use ESA funds to pay for authorized assessments other than the required state tests.

Participating students who take the TCAP must take the standard TCAP assessment (not the alternative growth measure, portfolio, or Tennessee Universal Reading Screener) and will not be guaranteed testing accommodations under the Individuals with Disabilities Education Act (IDEA). However, students will receive Americans with Disabilities Act (ADA) accommodations as applicable.

Additionally, data from the TCAP tests that are annually administered to students must be used to determine student achievement growth, as represented by the Tennessee Value-Added Assessment System (TVAAS). The department will post TVAAS scores of participating schools publicly on the department's [website](#).

Student Participation in the Individualized Education Account Program

Students can apply to both the [Individualized Education Account \(IEA\) Program](#) and the ESA Program and can receive approval for both programs. However, a student can only participate in one program per school calendar year.

Student Participation in Interscholastic Athletics

As outlined in Tenn. Code Ann. § [49-6-2603\(k\)](#), an ESA participating student is not eligible to participate in a sport sanctioned by an association that regulates interscholastic athletics for the first year in which a student attends a participating school if:

1. The participating student attended a Tennessee public school and participated in that sport;
2. The student participated in that sport in the year immediately preceding the year in which the student enrolled in the participating ESA school; and
3. The participating student has not relocated outside of the Local Education Agency (LEA) in which the Tennessee public school that the participating student formerly attended is located.

Financial Accountability Pre-Approval

Account holders shall obtain pre-approval for all expenses. If pre-approval is not obtained, the expense shall be deemed an unapproved expenditure. An account holder completes pre-approval in the portal before any funds are disbursed to the student's account in accordance with procedures developed by the department, according to State Board of Education Rule [0520-01-16-.05\(2\)](#).

Conflict of Interest

It is a conflict of interest and against ESA Program rules and procedures for a family member of a student, including a stepparent or a member of a student's household, to provide a professional recommendation or approval for a service or the use of computer hardware or another technological device for the student.

Account Holder Financial Responsibilities

Account holders agree to several assurances as conditions of partnership with the program. Any account holder participating in the ESA Program agrees to the following:

- The agreement and any additional information required by the department shall be completed in the ESA portal by the deadlines set by the department before the first ESA payment is disbursed.
- An account holder, family member, or household member cannot be a service provider for an ESA student.
- Prior to the first payment of ESA funds, the account holder must enroll the student in a Category I, II, or III non-public school, submit their school selection in the ESA portal, sign the account holder contract, and complete the pre-approval of funds process. No funds shall be disbursed to an ESA account without completion of each step.
- The use of funds must be educational and for the sole benefit of the participating student for which the ESA is established. ESA funds shall only be used by the account holder on allowable expenses.
- The account holder is responsible for the repayment of all ineligible expenses and any eligible expenses spent in excess of the amount of the ESA.
- All contracts entered are the responsibility of the private parties involved.
- Any tuition or fees charged by a participating school or postsecondary institution that exceed the ESA amount shall be the responsibility of the account holder.
- If a participating student enrolls in the program for less than an entire school year, the ESA amount for that school year shall be reduced on a prorated daily basis.
- If a participating student becomes ineligible to participate in the program for any reason or withdraws from the program, the participating student's ESA shall be closed, and any remaining funds shall be returned to the State Treasurer to be placed in the TISA Account of the Education Trust Fund of 1992 under [Tenn. Code Ann. §§ 49-3-357](#) and [49-3-358](#).

Electronic Wallet

The ESA Program allocations are available in the e-Wallet payment system for all account holders. The portal link and more information can be found on the [ESA website](#).

Expenses and Documentation

According to SBE Rule [0520-01-16.04\(9\)](#) the account holder shall submit expense documentation and receipts for all ESA funds expended in accordance with the procedures set by the department. The account holder will initiate payments through the ESA portal [here](#) for all allowable fees under the ESA and upload receipts or additional documentation required by the department. Account holders at participating schools have access to submit payments in the portal for school fees quarterly. Account holders have access to submit payments in the marketplace as needed.

Unused Funds

Account holders are not required to spend the entire sum each year; however, a minimum amount of fifty percent (50%) of the funds must be used each year on approved expenses for the benefit of the student enrolled in the program, according to [0520-01-16-.06\(7\)\(a\)](#). If overall spending does not equal fifty percent (50%) by the deadline for submission of the last expense, and if the ESA is renewed for the following year, the department shall subtract the difference from the payments in the next contract year. If a student withdraws from the ESA Program or if the ESA is not renewed, the ESA shall be closed, and any remaining funds shall be returned to the State Treasurer pursuant to T.C.A. § [49-6-2603](#).

Exiting the ESA Program

A student may exit the ESA Program in one of four ways:

- **involuntary removal by the department**- the student is removed from the ESA Program by the department;
- **non-renewal of the ESA**- the account holder chooses not to submit an ESA renewal student application or renew the ESA account holder contract for the next school year;
- **completion of the ESA Program**- the student graduates from high school or reaches twenty-two years of age; or
- **withdrawal**- an account holder may voluntarily withdraw a student from the ESA Program at any time during the contractual year.

Involuntary Removal by the Department

Pursuant to SBE Rule [0520-01-16-.04](#), the department may remove any account holder from eligibility for an ESA if the account holder fails to comply with the terms of the ESA account holder contract or applicable laws, rules or procedures, or misuses ESA funds.

If the department determines that the account holder has misspent ESA funds, the department will complete the following:

- notify the account holder that the student is being removed from the ESA Program,
- freeze the funds in the ESA e-Wallet, and
- suspend the e-Wallet account.

If a student is removed from the ESA Program, the account holder must submit expenses and supporting documentation by the deadline stated in the removal notice. The funds will be prorated for the proportion of the days of enrollment, and any remaining funds in the ESA e-wallet account will be returned to the state treasurer.

If the department determines that ESA funds have been misspent, the department shall notify the account holder, and the account holder shall repay the misspent amount in the manner and within the timeframe set by the department. Additionally, the department is authorized to freeze and/or withdraw funding directly from the student's ESA for reasons including, but not limited to, fraud, misuse of funds, account holder failure to comply with the terms of the state laws, rules, procedures, or the ESA account holder contract, the participating student's return to the LEA, or deposit of funds into the account in error.

If there are not enough funds remaining in the ESA to cover the misspent funds, the account holder agrees to repay the funds to the department. The account holder acknowledges that failure to reimburse misspent ESA funds to the department may result in the department referring the matter to the Tennessee Attorney General's Office for recoupment.

If the department determines that the holder has repeatedly misspent ESA funds, the department is authorized to terminate the ESA.

Checks or money orders should be made payable to Treasurer, State of Tennessee.

With the check or money order, the account holder must include a letter with the student's name, account holder's name, and the reason the funds are being returned to the state.

Mail the check and letter to:

Tennessee Department of Education
Education Savings Account Program
Division of Choice
Andrew Johnson Tower, 10th Floor
710 James Robertson Parkway
Nashville, TN 37243
Attention: Teresa Purcell

Non-Renewal of the ESA

Account holders may choose not to renew the student's enrollment in the ESA Program. If an account holder has not submitted an ESA Renewal Student Application, including all supporting documentation, or does not sign a new ESA account holder contract for the new contractual year, the student's ESA will be closed by the end of the ESA contract term. Any funds remaining in the e-Wallet account will be withdrawn and returned to the state treasurer to be placed in the state's education funding account.

Each year, participating students must reapply to participate in the ESA Program through the department's ESA application process. The **parent/guardian must verify his or her address and income eligibility every year**. This renewal application is available on the ESA [webpage](#) and must be submitted during the application window.

Completion of the ESA Program

A participating student is no longer eligible to remain in the ESA Program or eligible to receive ESA funding if either of the following occurs:

- The student graduates or withdraws from high school with no funds remaining in an open ESA account; or
- The student reaches twenty-two (22) years of age with no funds remaining in an open ESA account. However, if the participating student reaches the age of twenty-two with funds remaining, the student may complete the school year in which he or she reached the age of 22, provided the student does not turn 22 years old on or before Aug. 15, 2025, to remain enrolled in the ESA Program for the 2025-26 school year.

After graduating from high school or reaching twenty-two (22) years of age, unused funds in an ESA from prior years can be used for the next four (4) consecutive years, provided the student attends or takes courses from an eligible postsecondary institution, and the expenditures are determined to be qualifying expenses.

Withdrawal/Transfer Procedures for Families

A student enrolled in the ESA Program may withdraw from a Category I, II, or III non-public school at any time. If a student chooses to withdraw, the student's parent(s)/guardian(s) must immediately complete one of the following courses of action to retain the student's Education Savings Account (ESA) for the year:

- provide the department with proof of transfer and enrollment in another approved ESA participating non-public school within 10 school days, or
- provide the department with proof of transfer and enrollment in another non-participating state approved Category I, II, or III non-public school in a qualifying zone within 10 school days.

If neither of the above options are met, the ESA account will be terminated.

To withdraw a student from an approved ESA participating non-public school, parent(s)/guardian(s) must:

- notify the student's current school that you will be withdrawing the student from the school. Follow the school's instructions for how to withdraw your student, and
- complete the ESA program's [Student Withdrawal/Transfer Form](#) within 5 business days of the student's withdrawal from the non-public school and email ESA.Finance@tn.gov.

Transfer and Enrollment Options

Transfer and Enroll in Another Approved Participating ESA Non-Public School Within 10 School Days	Transfer and Enroll in Another Non-Participating State Approved Category I, II, or III Non-Public School	Transfer and Enroll in a Public School District, Independent Homeschool, or Category IV or V Non-Public school.
You can view the current list of schools here. The remaining funds can be used at the new school.	Fees for tuition, uniforms, and textbooks are not allowed.	Student will be ineligible to participate in the ESA program, and the student's account will be closed.

Fiscal Responsibilities

- When a student withdraws from an approved ESA participating non-public school or ESA eligible non-public school during the school year, the ESA account for that school year will be reduced on a prorated daily basis, pursuant to State Board of Education (SBE) Rule [0520-01-16-.04\(8\)](#). This prorated award is calculated using the number of instructional days enrolled according to the local public district's calendar. The ESA Program can only pay an approved ESA participating non-public school up to this prorated award. Any expenses owed to the approved ESA participating non-public school which exceed the amount of the prorated ESA amount shall be the account holder's responsibility.
- When the withdrawal/transfer form is submitted, an automated email confirmation will be generated by the ESA Program and sent to the account holder email address provided on the student withdrawal form.
- If a student graduates from high school or reaches age 22 and has any remaining funds left in his/her account, the student will then become a Legacy ESA student. Legacy students may use remaining funds for eligible post-secondary education expenses. Legacy students are not given additional ESA funds. For more information on legacy students, see [this](#) document on the ESA [webpage](#).

Appeal Procedures

Account holders may appeal the department's decision to deny an application, remove the account holder from the ESA Program, or freeze or withdraw funding by following the two-step appeals process in accordance with SBE Rule [0520-01-16-.11](#). If a family is appealing for more than one student, please submit an appeal form for each child. Appeals forms and [appeals guidance](#) are available on the [ESA website](#).

Step 1:

- Submit the appeal to the Tennessee Department of Education within 10 business days of receipt of the notice of application denial, revoked eligibility, or frozen/withdrawn ESA funds. (Notice of application denial, revoked eligibility, or frozen/withdrawn ESA funds will be provided electronically. It is the account holder's responsibility to monitor the email address provided to ensure messages from the ESA Program are received.)
- To file a Step 1 appeal of application denial, complete the Step 1 appeal form in the ESA account holder [portal](#).
- The commissioner or the commissioner's designee will review the appeal. A decision will be issued within 45 calendar days. (The account holder will be notified of the commissioner's decision for the Step 1 appeal electronically.)

Step 2:

- If the account holder wants to appeal the commissioner's decision, the appeal must be filed with the commissioner by the account holder within 30 calendar days and shall conform to the Uniform Administrative Procedures Act (UAPA) ([Tenn. Code Ann. Title 4, Chapter 5](#)).
- To file a UAPA appeal, complete the form posted online at [Appeals \(tn.gov\)](#) and email it to ESA.Questions@tn.gov.
- After the UAPA form has been submitted to the department, account holders will be notified by an administrative law judge, who will set the date and time of the account holder's hearing.

Legacy Students

If a participating student graduates high school or reaches the age of 22 and has money left in the ESA account, the student will become a **Legacy Student**. [This document has a complete explanation of the Legacy Student status.](#)

A Legacy Student may use their remaining ESA funds to attend or take courses from an eligible postsecondary institution.

A Legacy Student's ESA will be closed after the first of the following events:

- The Legacy Student graduates from an eligible postsecondary institution.
- Four back-to-back years elapse immediately after the Legacy Student enrolls in an eligible postsecondary institution.
- The Legacy Student is not enrolled in an eligible postsecondary institution for 12 back-to-back months.

Appendix A: Frequently Asked Questions

For more helpful tips, please see [this](#) document on the ESA [website](#).

Student Application

- ***I filed my taxes but don't have a copy of my 1040. What can I do?***
 - The ESA review team is required to consider the prior year's income as part of the income eligibility requirements. If taxes were filed, there are a few options to submit proof of income. One option is contacting the tax preparer to ask for a copy of the 1040. If taxes were filed through a third party, including an online service, the preparer should retain a copy of the 1040. A second option is accessing the IRS website and requesting an unredacted tax transcript to be mailed to your address.
- ***I live in a house that is owned by a relative/friend/someone else. All utilities are in this person's name, not mine. What should I do to show residency on the application?***
 - For this situation, the relative or friend is acting in place of a landlord. The ESA applicant should download the [Landlord Affidavit of Residence](#) from the ESA [website](#). This affidavit must be completed, signed, and notarized within 30 days of the ESA application to be considered. For the second proof of residency, the family should submit a document in the landlord's name with the same address.
- ***I can't locate my 1040. Is an IRS Tax Transcript acceptable?***
 - A tax transcript with full, unredacted social security numbers can be submitted in addition to copies of social security cards for all persons on the tax transcript. The numbers and names must match in order to verify.
 - If a family filed taxes through a service, the parent(s) should reach out to the service for a copy of the 1040. Tax preparers have copies.
- ***What does the 1040 need to have?***
 - A 1040 should clearly list the parent(s) as listed on the ESA application. The ESA review team confirms that the child's name on the 1040 is the same name provided on the application. The 1040 will be used to determine household size and income. Household size includes the total number of people listed as adults and dependents (example: 1 parent and 2 dependents is a total of 3 for household size). This number is compared with income listed on line 9 to determine if the child lives in a household that meets the income eligibility guidelines. The chart for household size and income limits is available on the [website](#).
 - If a child's parents are divorced, they should provide a 1040 and be listed on the student application if any of the following apply:
 - a court-mandated parenting plan dictates that each parent has the child for 50% of the time,
 - a court-mandated parenting plan dictates that a parent with less than 50% of the time will claim the student as a dependent on his or her taxes; or
 - For households with more than one income earning adult: If the income earning persons in the household do not file taxes jointly, a 1040 for each income earning person should be included.

- **What is required if a student is listed on the 1040 as any relation other than “child”?**
 - Custody paperwork or a notarized POA must be provided if the child is listed as any relation other than child on the application and/or on the 1040 tax document.
- **What is required if my child is entering kindergarten, but won’t be 5 years old until after August 15th?**
 - If the child is turning 5 years old between August 15 and September 30, a letter of admission from the director of a school is required and should accompany the application. The letter must indicate that through testing and evaluation, the child was found sufficiently mature emotionally and academically to enter kindergarten.
- **What documentation is required if my family is unhoused?**
 - A parent or legal guardian of an unhoused student seeking to enroll in the ESA Program or seeking to continue enrollment in the ESA Program should email ESA.Applications@tn.gov for assistance.
- **What documents can I submit to show proof of residency?**
 - Examples of acceptable residency documents can be found on the [ESA website](#).

Enrollment in Participating Schools

- **The school in which I am interested in sending my child isn’t on the list. What does that mean?**
 - For a student to use ESA funds for tuition, the school must be on the list of [participating non-public schools](#). Otherwise, a student can attend any state approved Category I, II, or III [non-public school](#) and use the ESA on approved expenses such as tutoring, technology, therapy, summer educational programming, or commercial transportation. For questions about a particular school’s category, email ESA.Questions@tn.gov. An account holder must complete pre-approval in the portal before any funds are disbursed to the student’s account, even if the school is not participating.
- **Do I have the ability to determine how I use my ESA funds?**
 - Account holders have the sole ability to determine the use of funds. A school may advise a family how to use ESA funds in conjunction with the school’s financial aid, as the restrictions around each may limit the use of the funds. Ultimately, the family decides how to spend the funds for educational expenses.
- **After my application has been approved, what do I do?**
 - After an application is approved, the account holder must enroll in a state approved non-public school. Once the enrollment process has been completed at the school, the account holder will select the school in the portal. Then, the school will approve the selection in the portal. This is the first step to complete in order to receive ESA funds. Once this step has been completed, the account holder will receive the ESA account holder contract and budget review sheet for the account holder to complete in the portal.

Use of Funds

- **How much is an ESA? Can it pay for all school expenses?**

Each approved student, regardless of grade, location, or family size, will receive the same amount for the ESA determined by their county of residence. For the 2024-25 school year, that amount was \$9,423.58 for Memphis and Nashville and \$9,346.05 for Hamilton County. Account holders (parent/guardian if the child is under 18 years old) can decide how to spend this money between tuition, required books and technology, uniforms, and other allowable educational expenses. A few examples are below:

- Cathy lives in Memphis, Tennessee and has enrolled at a school where annual tuition is \$12,000. She is approved for an ESA and has decided to use the entire ESA amount toward tuition. She will need to pay for the remaining \$2,576.42 of tuition from her own account or through the school's financial aid, if available. All other required expenses for the school will be her responsibility.
- Mike lives in Nashville and has enrolled at a school where annual tuition is \$6,500. He is approved for an ESA and has decided to spend \$6,500 of the ESA toward tuition. With the remaining \$2,923.58 of the ESA, Mike has decided to spend \$500 for uniforms and \$1,000 for books and technology. The remaining \$1,423.58 can be spent at approved vendors in the Marketplace or will be unused and can be rolled over to next year's ESA account.

Michela lives in Chattanooga, Tennessee and has enrolled at a school where annual tuition is \$14,000. She has been approved for an ESA and has received financial aid from the school. The school's financial aid is \$4,500 toward tuition. She has decided to use \$8,000 of her ESA toward tuition and will pay the remainder out of pocket using the school's monthly payment plan. She wants to put the remaining \$1,346.05 toward tutoring services.

- ***Can left over funds be used later for summer programs?***

Yes, educational summer programs are an allowable use of ESA funds and approved vendors can be selected in the ESA portal.

Appendix B: Finance Worksheet

Finance Worksheet Example

Account holders and participating schools are encouraged to use this worksheet so that families may understand how their ESA can be applied to particular educational expenses and what remaining, if applicable, costs may need to be paid out-of-pocket by the family.

Instructions: Fill in what is required by the school for students in Column A. Then, fill in the amount of any non-ESA financial aid the student is receiving in Column B.

The ESA estimate is not released until July of each year. To determine an estimate of what funds may need to be paid out of pocket, we encourage families to reference the ESA award from the previous year in Column C.

- **Memphis:** \$9,423.58
- **Nashville:** \$9,423.58
- **Chattanooga:** \$9,346.05

Once all amounts are inserted, start with Column A and subtract Columns B and C to see an estimate of total out-of-pocket costs (total cost – school-based financial aid – ESA award = out-of-pocket expense).

Example: Cindy enrolls at a school in Memphis where tuition for 3rd grade students is \$14,000, and each student is charged a textbook fee of \$500 and technology fee of \$200. Cindy receives \$3,000 of financial aid from the school for tuition.

The sample chart below shows these amounts for Column A (what is charged to all 3rd grade students) and Column B (what Cindy receives in her financial aid package). Column C is how Cindy plans to use the ESA award. Cindy's family would need to pay \$2,276.24 for tuition out-of-pocket. The ESA award would not cover the full cost of Cindy's school expenses.

	A	B	C	D
	Total cost for student	Total Amount of School-Based Financial Aid	ESA Award (how the family plans to budget their funds)	Remainder to be covered out-of-pocket by the family
Tuition	\$14,000	\$3,000	\$8,723.58	\$2,276.24
Textbook Fee	\$500	-	\$500	\$0
Technology Fee	\$200	-	\$200	\$0
Transportation	-	-		
Tutoring	-	-		
Therapy	-	-		
Total	\$14,700	\$3,000	\$9,423.58	\$2,276.42

Finance Worksheet Template

Account holders and participating schools are encouraged to use this worksheet so that families may understand how their ESA can be applied to particular educational expenses and what remaining, if applicable, costs may need to be paid out-of-pocket by the family.

Instructions: Fill in what is required by the school for students in Column A. Then, fill in the amount of any non-ESA financial aid the student is receiving in Column B.

The ESA estimate is not released until July of each year. To determine an estimate of what funds may need to be paid out of pocket, we encourage families to reference the ESA award from the previous year in Column C.

Memphis: \$9,423.58

Nashville: \$9,423.58

Chattanooga: \$9,346.05

Once all amounts are inserted, start with Column A and subtract Columns B and C to see an estimate of total out-of-pocket costs (total cost – school-based financial aid – ESA award = out-of-pocket expense).

	A	B	C	D
	Total cost for student	Total Amount of School-Based Financial Aid	ESA Award (how the family plans to budget their funds)	Remainder to be covered out-of-pocket by the family
Tuition				
Textbooks				
Technology				
Uniforms				
Transportation				
Tutoring				
Therapy				
Total				

Column C amounts should be entered in the Financial Pre-Approval form (i.e., how the family plans to budget expenses) in the e-Wallet portal. All expenses **must** be approved by the ESA team.



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