

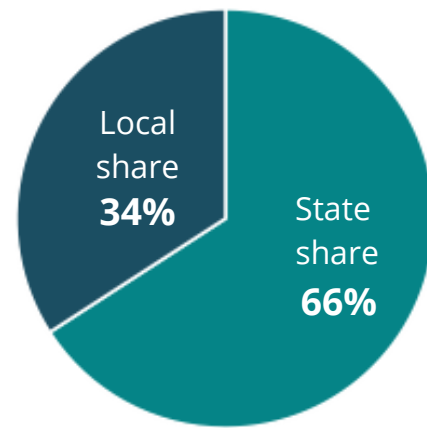
# How are our schools funded?

## A funding formula, not a spending plan

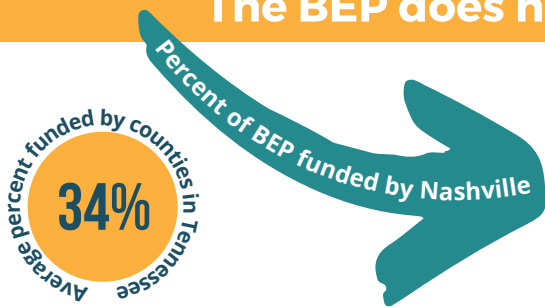
The **Basic Education Program (BEP)** is a formula that generates the cost for a sufficient and basic education for students as determined by the state; it does not dictate how districts use those dollars

It consists of a state and local share determined by student enrollment and a county's ability to raise its own revenue, also known as the **fiscal capacity** of the county

Average Percent of the BEP Funded by Local vs. State Shares in Tennessee



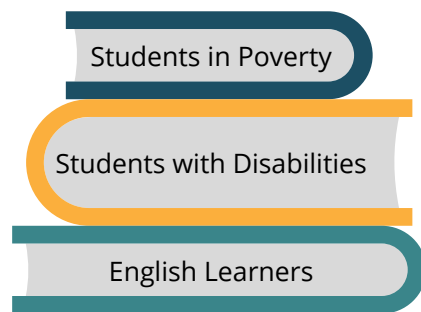
## The BEP does not adequately fund Nashville's schools



# 55%

Because urban counties have higher property taxes and more economic activity in general, Nashville must contribute a higher percentage of local funds than most districts...

...Yet MNPS has higher percentages of students who are more likely to need additional supports to thrive



## Changes to any one of these areas could substantially improve the BEP

### Update the formula

- Instructional salaries and wages
- Instructional benefits  
*Retirement contributions and insurance premiums for instructional staff*
- Classroom  
*Things that support instruction, like textbooks, classroom supplies, and technology*
- Non-Classroom  
*Things essential to running a district but don't relate directly to instruction, like transportation, custodial services, and the superintendent's salary*

These four categories make up 46 different components in the overly complicated funding formula, and many of them haven't been updated in years

### Allocate additional funds



The Education Law Center gave Tennessee an F in overall funding level and funding effort for education funding

### Consider student needs

Some students cost more to educate than other students. For example, a student who doesn't speak fluent English or a student with disabilities may require more supports.

Yet the BEP doesn't adequately account for the costs of different types of students or different district needs.

