

Nashville is an expensive place to live and work

The state's school funding formula should account for that

This "cost of doing business" allocation has been part of school funding in Tennessee but is not currently included in the Governor's proposed formula, TISA

To recruit and retain great employees, MNPS must pay its teachers and staff much more than the state average

State average teacher pay:

\$52,596

MNPS average teacher pay:

\$60,035



MNPS must invest nearly \$40M above the state average to pay its teachers a competitive salary, and millions more for teacher benefits and competitive support staff compensation.

To address this discrepancy and avoid substantial inequity across districts, TISA should include a Cost Differential Factor (CDF)



A county's Cost Differential Factor (CDF), calculated by UT's Boyd Center for Business and Economic Research (CBER), compares a county's private sector labor costs to the state average.

Davidson County's CDF

=

120.18%

State average = 100%



Meaning Nashville pays private industry employees roughly 20% higher wages than the state average



The CDF is used to calculate additional funding to address a higher cost of doing business in Nashville and a handful of other counties.

A CDF adjustment would:

- 1 allow districts to provide a competitive salary that recognizes a higher cost of living, which helps recruit and retain great educators
- 2 prevent the state's funding formula from placing an unfair burden on counties to pay higher labor costs out of their own funds

Even funding just a portion of the CDF would more appropriately account for Nashville's high labor costs and ensure we can better meet our students' needs

Learn more about how small adjustments to TISA would greatly benefit our students at <https://nashvillepef.org/resources-school-funding/>

Track the bill at <https://wapp.capitol.tn.gov/apps/BillInfo/Default.aspx?BillNumber=SB2396>

