
Basic Education Program (BEP) Allocations for Fiscal Year 2016-17

The Background:

The attached allocations for fiscal year 2016-17 provide funding of the Basic Education Program (BEP) and represent more than \$220 million in funding appropriation improvements. The allocations:

- Funds BEP instructional positions at a unit cost of \$44,430.
- Provides 100% funding for at-risk students in grades K-12.
- Provides funding for English Language Learners at a ratio of one to twenty-five (1:25) for teachers and one to two hundred fifty (1:250) for translators.
- Includes four (4) categories of components: instructional salaries and wages, instructional benefits, classroom, and non-classroom.
- Provides on average seventy percent (70%) of state funds for the instructional positions within the instructional and instructional benefits components.
- Funds the cost differential factor at twenty-five percent (25%).
- For equalization purposes the formula equally weights 1) the ability of local jurisdictions to raise local revenues by measuring the ability to generate local revenues from property tax and local option sales tax, and 2) the ability of local jurisdictions to raise local revenues as determined by the multiple regression analysis model developed by the Tennessee Advisory Commission on Inter-governmental Relations (TACIR).
- Includes insurance funding for twelve (12) months for all BEP funded positions.
- Increases the value of the classroom technology component from twenty million dollars (\$20 million) to forty million dollars (\$40 million).
- Decreases from ten (10) to four (4) funding options for special education students.

The Fiscal Analysis Impact:

Tenn. Code Ann. § 49-1-212 requires that the Department of Education prepare a fiscal analysis of any policy, rule or regulation proposed to the State Board of Education. The attachment outlines the BEP allocation each LEA will receive in the 2016-17 school year. This item may require a small number of LEAs to increase the local contribution in order to meet the BEP required local match. The actual number will depend on final allocations.

The Recommendation:

The Department of Education recommends adoption of this item on final reading. The SBE staff concurs with this recommendation.