
Allocation of State and Local Funds Rule 0520-14-01-.03

The Background:

T.C.A. § 49-13-112 provides that allocations to charter schools from the local board of education “shall be in accordance with the rules and regulations promulgated by the department of education.” The allocation of state and local funds rule was originally promulgated in 2010 and recently there have been several questions and concerns from schools and districts as well as from the Tennessee Comptroller’s office.

This item seeks to provide clarity around charter school funding and aligns to legislation that has been introduced by the department of education.

After first reading, the Comptroller’s Office of Research and Education Accountability provided feedback on the proposed rule.

Since first reading the following changes have been made:

Page 1: Clarifies language for the calculation of funding for each charter school.

Page 1: Clarifies growth funding and capital outlay funding.

Page 1: Clarifies authorizing LEAs may not charge an administrative fee to charter schools and outlines the conditions that LEAs may withhold funding from a charter for certain services.

The Fiscal Analysis Impact:

T.C.A. § 49-1-212 requires that the department prepare a fiscal analysis of any policy, rule, or regulation proposed to the State Board of Education. This item could impact the funding allocations for any district that was using prior year enrollment numbers.

The Recommendation:

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