
Basic Education Program (BEP) Allocations for Fiscal Year 2021-22

The Background:

The attached allocations for fiscal year 2021-22 provide funding of the Basic Education Program (BEP) and represent more than \$140 million in funding appropriation improvements. The allocations:

- Fund BEP instructional positions at a unit cost of \$50,283.
- Provide 100% funding for at-risk students in grades K-12.
- Provide funding for English Language Learners at a ratio of one to twenty (1:20) for teachers and one to two hundred (1:200) for translators.
- Include four (4) categories of components: instructional salaries and wages, instructional benefits, classroom and non-classroom.
- Provide on average seventy percent (70%) of state funds for the instructional positions within the instructional and instructional benefits components.
- Fund the cost differential factor at sixteen percent (16%).
- 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).
- Include insurance funding for twelve (12) months for all BEP funded positions.
- Include the classroom technology component funded at forty million dollars (\$40 million).

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. The attachment outlines the BEP allocation each LEA will receive in the 20 - 21 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.

In accordance with T.C.A. § 49-3-317 (e), the department compared each LEA's BEP calculation for the 2021-2022 school year with the LEA's BEP calculation for the 2020-2021 school year prior to any adjustments to the instructional salaries and wages and instructional benefits categories of the BEP in each respective year. This calculation was used to determine the LEA's that were eligible to be held harmless in FY2021-22; if the 2020-2021 BEP calculation is greater, then the LEA is eligible to be held harmless. LEA's that are held harmless will receive an allocation equal to the FY2020-21 allocation plus improvements in the salary and medical insurance components. LEA's not eligible to be held harmless will receive a BEP allocation calculated in accordance with normal procedures. 111 LEA's are held harmless in FY2021-2022.

The Recommendation:

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