



BEP and the FY18 Budget

Agenda

- Proposed BEP improvements
- Timeline for BEP estimates
- BEP Enhancement Act Changes
- Questions

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BEP Improvements

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BEP - Salary

- The Governor's proposed budget includes a \$100.4 million increase to the salary component of the BEP.
- This brings the total to more than \$430 million in new dollars for salaries since 2011.
- This year's investment continues to move toward the goal of being the fastest improving state in terms of teacher salary improvement

BEP - Salary

- New salary unit cost of \$46,225
- No requirement for an across the board raise
- New instructional salary funds may be used for:
 - Salary schedule improvement
 - Step raises
 - Bonuses
 - Differentiated pay
 - Pay for performance
 - New positions

BEP - Salary

- Districts' weighted average salaries will be compared to statewide weighted average salary from FY16
 - If district salary is below, new instructional salary funding must be used for salaries; may not be used for benefits
 - If district salary is above, new instructional salary funding may be used for salaries and/or benefits
 - Office of local finance will review budgets prior to approval to ensure this is being done

BEP – English Learners

- The Governor's proposed budget includes \$22.2 million new dollars for the EL component of the BEP.
- This will fund EL teachers at a ratio of 1:20 and translators at a ratio of 1:200.
- The state board approved an EL staffing ratio of 1:35 on first reading at the January board meeting. The policy will be heard on final reading in April.

BEP – Other Proposed Improvements

- \$59.4 million for enrollment growth and inflation
- Additional funding of \$18 million for growth funding
 - FY18 total growth funds of \$37 million
 - Should fund close to 100% growth
- Funding for insurance premium increase January 1, 2018 (estimated at 6.9%)
- Teacher retirement contribution increase (9.08%)

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Timeline for BEP Estimates

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BEP Estimates

- First estimate in April – likely the first week
- Other estimates in May and June
- Final allocations the first week of July
- Please check your ADMs to be sure they are accurate – regular, special education and CTE

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BEP Enhancement Act Changes

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BEP Enhancement Act

- The *BEP Enhancement Act*, passed in 2016, provided updates to several key areas of the formula, including:
 - Early Graduates
 - “At-risk”
 - Minimum funding

Early Graduates

- Students that graduate from high school before their cohort will now continue to be included in the ADM count for funding.
- Districts should continue to use EIS code 12 for early graduates.
- Once a student graduates they are no longer included in accountability or attendance.

At-Risk

- ED/at-risk students are now defined as students that meet the direct certification eligibility guidelines.
- A “directly certified” student is one who is participating in state or federal assistance programs, such as: Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and Head Start.
- Students who are identified as homeless (code H), migrant (code I), and runaway (code U), are also considered ED/at-risk. Students should be marked for all applicable classifications.
- Students should be coded as “J” to indicate direct certification, and if applicable, codes H, I, and/or U for homeless, migrant, and runaway respectively.

Minimum Funding

- Replaces former “stability” and “baseline” provisions
- Establishes new minimum funding level
 - Funding generated in FY16
 - Adjusted for loss of ADMs
- Office of local finance will re-run FY16 BEP with current year ADMs to determine new minimum funding level
- Requires districts to react more quickly to decreasing ADMs – no longer a one-year grace period

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Questions