

THE COST OF EDUCATION

An analysis of school-level education
spending in Hamilton County



metroideas.org

Key Questions

1. How much do we spend on each student in Hamilton County?

The Tennessee Department of Education estimates a districtwide per-student average of \$9,728 for the 2014–15 school year.

2. How much do we spend on each student at each school in Hamilton County?

Prior to our work and this research series, there was no way to determine this figure using publicly available data.

3. Why is it important we understand how much each school spends on students?

- **Equity:** Are resources being distributed fairly across schools, regardless of students' economic status, race, language proficiency, learning ability or location?
- **Transparency:** Which schools spend more or less on average than other schools?
- **Engagement:** How can education and community stakeholders make better decisions about spending and budgets?
- **Return on investment:** What is the relationship between average spending and student achievement?

Our Analysis

We focused on services and costs that directly benefit students, like teachers, Title I, transportation and meals. We did not include central spending. Out of the \$400 million budget for fiscal year 2015, we were able to follow about \$300 million, or 75 percent, down to the school level. Based on this estimate and for the purposes of this report, our new average per-student spending estimate is \$7,200.

Findings

- 63% of schools in District 3 spend below the county per-student average.
- Conversely, 38% of schools spend above the average.
- 2 schools in District 3 are low spending and low achievement.
- Schools know their students the best, but often don't have the opportunity to communicate specific needs to central office.
- We found that Hamilton County principals only control up to 2 percent of their school budgets (excluding more restrictive federal funding), resulting in a glaring lack of autonomy for school leaders.

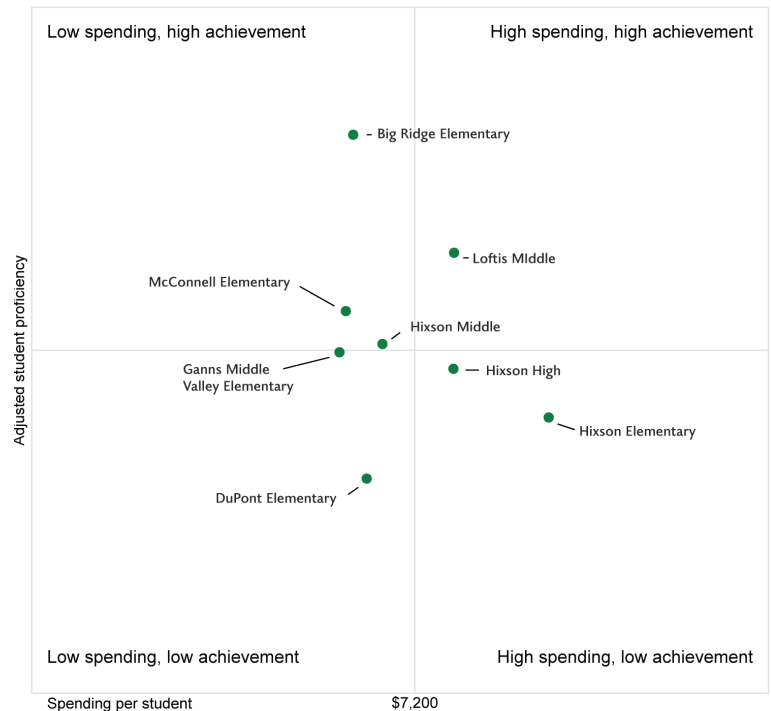
Recommendations

Current budgeting practices account for staff, buildings and enrollment numbers, but not individual student needs.

Student-based budgeting focuses funds toward students rather than enrollment ratios. This budgeting model recognizes that some students cost more to educate than others and clearly budgets for these extra costs. Student-based budgeting is student-focused, transparent, efficient and equitable, and it encourages an optimal learning environments for all student.

The Metro Ideas Project will be hosting a public event on Wednesday, June 8th at 5:30 p.m. at Warehouse Row focused on the lessons learned from Metro Nashville Public Schools in their transition to student-based budgeting.

Chart 1: School Spending by Student Outcomes

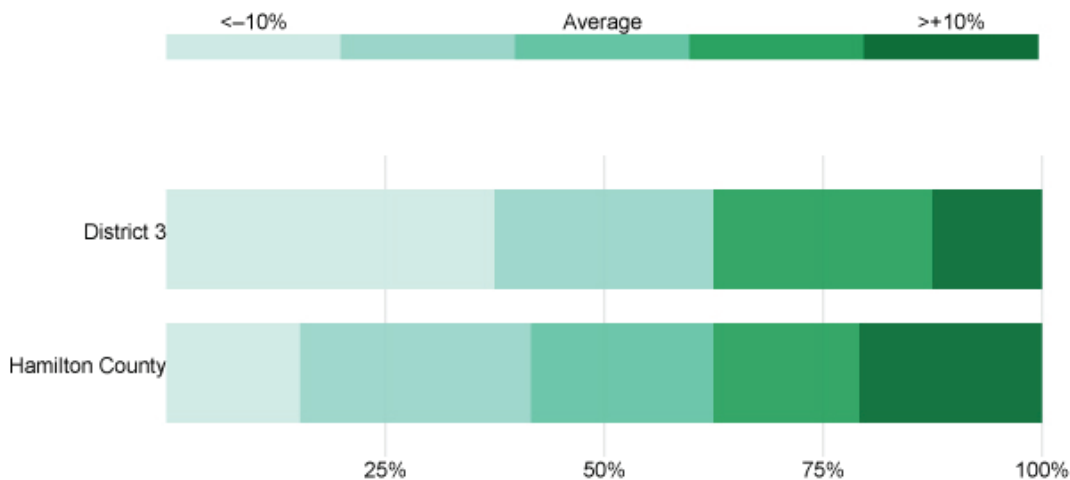


Above: Percentage of students in each school who are considered proficient or advanced compared to average per-student spending.

District 3 School Spending

School	Enrollment	Per-Pupil Spending
Big Ridge Elementary	477	\$6,363
DuPont Elementary	358	\$6,546
Ganns Middle Valley Elementary	573	\$6,177
Hixson Elementary	441	\$9,018
Hixson High	829	\$7,724
Hixson Middle	666	\$6,760
Loftis Middle	578	\$7,733
McConnell Elementary	490	\$6,263

District 3 School Spending vs. County Average



About Metro Ideas Project

The Metro Ideas Project (MIP) is a nonpartisan, independent public policy research organization that strives to identify and address the pressing issues facing American cities by conducting sound research, sparking informed policy discussion and providing practical recommendations.

Our team is made up of academics, policymakers and journalists. We believe creative thinking driven by objective research is the best way to make real progress on the toughest, most complex challenges faced by communities across the country.

For more about us and our work, visit metroideas.org.

