

Frequently Asked Questions Regarding the Potential Creation of New Municipal School Districts in Shelby County, Tennessee

1. *Will the new municipal school districts receive a share of the current Shelby County property taxes and Shelby County local option sales taxes allocated for education?*

Yes. As mandated by Tennessee law, all local school districts located in Shelby County must receive their fair share of revenue from both the Shelby County property tax and the Shelby County local option sales tax. The amounts of revenue are based upon the number of students who actually attend schools in the district. This is known as Average Daily Attendance (ADA).

2. *Would any local municipal property tax revenues provided by a new municipal school district have to be shared with the new unified Shelby County Schools and Memphis City Schools school district?*

No. All local municipal property tax revenues allocated to education will go directly to the new municipal school district.

3. *Will the “per-pupil expenditure” for the proposed new municipal school districts as projected in this feasibility study exceed the Shelby County Schools (SCS) FY 2012 amount?*

No. The reasons are: (a) the final amount of federal funds revenue allocated to municipal school districts for education programs such as Title I (and other federal programs) cannot be accurately calculated until the students are actually enrolled and eligibility is verified. (b) SCS now has two important revenue sources in its FY 2012 operating budget that municipal school districts will not have at their inception. These revenue sources are: (1) Interest earned on the SCS school district’s fund balance reserves that are invested in the Local Government Investment Pool (LGIP); (2) Actual SCS “reserve funds” in the amount of approximately \$17.2 million that are included as revenue in the SCS FY 2012 operating budget.

4. *Will funding for current instructional technology programs be included in this study?*

Yes. Adequate expenditure estimates are included in the feasibility study to provide for a comparable instructional technology program including teacher laptop leases, instructional technology staff, and other support areas. Final decisions regarding all school programs will rest with the new municipal school district superintendent and board of education.

5. *How will programs for special education be provided?*

Municipal districts would function under the same Federal laws and State of Tennessee laws, rules and regulations under which all public schools currently operate.

6. *Will the new municipal school districts be able to acquire the current school facilities located in the respective municipalities?*

Because recent legislation (Public Chapter 1 of the 2011 Acts of Tennessee) did not address facility transfer, an informed legal opinion is provided in this feasibility study. Analyses of pertinent case law, the essence of Chapter 1, and the history of past practices regarding school facility transfer in Shelby County support the right of a municipal school district to receive transfer of and control of the school facilities now located within its boundaries and to have that transfer occur without the imposition of costs with respect to those facilities.

7. *If construction of school facilities is required, does the city have authority to issue bonds for the facilities?*

Yes, the municipality has such authority.

8. *Who would appoint the principals and other administrators of the municipal district?*

The superintendent appoints all principals and other school administrators; school board approval is not required.

9. *Could the current teachers, principals, and other employees be retained?*

Yes, they could be retained. However, all personnel will have to apply for employment in the new municipal district. Persons who currently hold tenure in Tennessee could be employed in the new municipal district. However, to secure tenure in the new municipal district, the tenured person must be recommended by the superintendent for tenure in the new municipal district, and the recommendation must be approved by the school board.

10. *Will it be necessary to pay teachers, administrators, and other personnel at the same level or approximately the same level as they are receiving now?*

New municipal school districts will be legally required to provide the same teacher salaries (State Board of Education Rules, Chapter 0520-1-8). Salaries of administrators and other personnel do not have to be provided at the same level.

11. Are transportation and facility improvements included in the feasibility studies?

Adequate expenditure estimates are included for each municipality to provide for comparable student transportation operations either through Cooperative Educational Contracts with other school districts or through outsourcing. Costs of transportation equipment and expenses associated with capital improvements are not included in the operating expense projections. In addition, the Shelby County Schools 2011-15 capital improvement plan provides information regarding potential future capital needs at various schools. The plan is included in an appendix of the study.

12. Would the Shelby County Commission or Shelby County mayor have any control or supervisory authority over the operation of a municipal school district?

No. Municipal school districts will be controlled by their local elected board of education.

13. Could the municipal school district receive accreditation through the Southern Association of Colleges and Schools?

AdvancED (formerly known as Southern Association of Colleges and Schools--SACS) is the accreditation agency for schools in this area. School districts and schools may apply for accreditation through this organization.

14. Would persons who are employed by the municipal school districts continue their retirement through the Tennessee Consolidated Retirement System (TCRS)?

Yes. Teachers and other employees would continue to pay into their retirement program through TCRS, and earned years of service credit would not be lost.

15. Would medical insurance plans for employees continue?

Medical insurance plans would be subject to approval by the board of education of the municipal school district.

16. Would athletic teams continue to compete through the TSSAA?

Yes, they would be members of the Tennessee Secondary School Athletic Association that provides leadership and coordination for the administration of interscholastic athletics.

17. Who would employ the municipal school district's superintendent?

The elected municipal school district school board would employ the new district superintendent.

18. Who would employ the teachers and support personnel?

Under Tennessee law, only the superintendent can employ all teachers, principals, other faculty, and staff members.