

# Adopted Budget



BUDGET FOR FISCAL YEAR  
**JULY 1, 2016** THROUGH **JUNE 30, 2017**

# Letter to the Wake County Commissioners

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## WAKE COUNTY BOARD OF EDUCATION

CROSSROADS BUILDING 1  
5625 DILLARD DRIVE  
CARY, NORTH CAROLINA 27518

Dear Chairman West,

On behalf of the Wake County Board of Education, I am presenting the proposed budget for the 2016-17 fiscal year. This budget reflects a collaborative effort among the schools, the superintendent, his staff and the Board of Education.

Our strategic plan, adopted a little more than a year ago, has brought focus to our mission: **the Wake County Public School System will provide a relevant and engaging education and will graduate students who are collaborative, creative, effective communicators and critical thinkers.**

Furthermore, the plan has an ambitious goal: **by 2020, WCPSS will annually graduate at least 95 percent of its students *ready for productive citizenship as well as higher education or a career.***

We appreciate the generous efforts you made in 2015-2016 by providing the largest local funding increase in the history of our county. The largest part of that increase went to teacher and staff salaries as part of a five-year plan to compete with other high-achieving districts in the nation. We have not asked for more local money as we pursue that goal because we anticipate the state will take definitive steps toward increasing teacher salaries this year.

However, we are asking for a significant increase to open five new schools, cover the costs of legislative changes, pay for increases in existing programs and handle enrollment growth. An increase of 2,000 new students, for example, would fill more than two new classrooms every week of the school year.

Only 10 percent of this year's increase reflects new or expanding programs. These programs are described in the Superintendent's message, with more detail in the budget itself. They include:

- Continuing the redesign work at East Wake High School begun in 2015-16;
- The opening of Crossroads Flex, a small but highly innovative school;
- Increasing the number of technology facilitators so staff and students can more effectively use technology in our classrooms;
- Implementing new magnet programs and aligning programs in other schools;
- Increasing support of visual and performing arts in middle school;
- Restoring some of the funding for band uniforms, instrument repairs and instrument replacements cut in previous budgets.

Therefore, on behalf of the entire Board of Education, I am asking the County Commissioners to approve a County appropriation of \$421,749,600. We believe this amount will allow us to handle growth, maintain present programs and take reasonable steps toward meeting new demands.

District 1 (*Northeast Wake*)

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District 9 (*Western Wake*)

**Bill Fletcher**

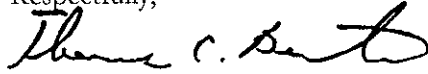
BFletcher@wcpss.net

# Letter to the Wake County Commissioners

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We are thankful for your past support and look forward to maintaining our positive relationship as we continue working together to provide a quality education for all students in Wake County.

Respectfully,

A handwritten signature in black ink, appearing to read "Thomas C. Benton". The signature is written in a cursive style with a large, stylized initial 'T'.

Thomas C. Benton  
Board of Education Chair

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# Introduction



# Message from the Superintendent

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**WAKE COUNTY**  
**PUBLIC SCHOOL SYSTEM**

Dr. James G. Merrill, *Superintendent*  
Crossroads 1  
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Cary, NC 27518

tel: (919) 533-7770  
fax: (919) 431-7563

March 15, 2016

Wake County Board of Education:

In my third budget presentation as your superintendent, we find ourselves facing a unique landscape of academic and financial needs.

With your leadership, we are redesigning schools in the east, meeting the challenges of growth in the west and pushing staff at every level to rethink education through the lens of the Strategic Plan. Our graduation rates are the highest in the district's history and our students continue to exceed state and national averages in most areas.

Wake County Commissioners have been financially responsive to education needs, but state funding is constrained and federal increases that followed the Great Recession are now gone. As a result, total per pupil spending still lags the amount available in 2008.

The mission of the Wake County Public School System contains a promise to graduate students who are collaborative, creative, effective communicators and critical thinkers. Our goal as a school system is to annually graduate at least 95% of students by 2020 ready for productive citizenship as well as higher education or a career.

As we work to realize these ideals, we should also celebrate our accomplishments:

- More than 91 percent of our teachers met or exceeded academic growth standards set by the state in 2014-2015;
- Improved access to Advanced Placement exams significantly increased the number of students taking AP tests in 2014-2015;
- The graduation rate of 86.1 percent reached its highest level ever;
- The increase in graduation rates for students of color exceeded that of the district, including a gain of 9.9 percentage points for African Americans during the past two years;
- The school district continues to lead the nation in teachers who are Nationally Board Certified;
- 99 percent of our teachers met the federal definition of highly qualified;
- The class of 2015 earned more than \$101 million in scholarships;
- Magnet Schools of America placed 27 of our schools among the best in the nation for 2015. Brentwood Magnet Elementary School of Engineering and Wendell Creative Arts and Sciences Magnet Elementary received special recognition within the past year.

# Message from the Superintendent

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These accomplishments occurred despite overall budgets that have increased class sizes and left teachers with fewer supplies. Outside the classroom, low wages still affect our ability to attract and retain a wide range of positions from bus drivers to clerical workers.

Per Pupil Changes In Funding						
	Enrollment	State	County Appropriation	Other local	Federal	Total
2015-2016	157,352	\$5,370	\$2,309	\$585	\$809	\$9,073
2008-2009	137,706	\$5,475	\$2,178	\$617	\$822	\$9,092
% Change	+14.3%	-1.9%	+6.0%	-5.2%	-1.6%	-0.2%

This data reveal the funding comparisons between 2008-2009 and 2015-2016. Local county appropriations increased 6% percent from \$2,178 per pupil in 2008-2009 to \$2,309 in 2015-2016. Enrollment growth during that same time increased 14.3 percent, adding 19,646 students.

I recognize and truly appreciate last year's local appropriation was the largest in county history. This year's proposal reflects the magnitude of the remaining backlog. While the recession of 2008 was the catalyst, continuous enrollment growth and shifting revenues since that time have prolonged our challenge. That is why my immediate request is for a local appropriation increase of \$35,749,600 for the 2016-2017 school year.

A cursory review shows more than three-fourths of that amount is dictated by enrollment growth, prior commitments and the effect of recent legislative decisions. Opening five new schools, for example, translates into the need for new teachers, supplies, counselors and bus drivers. The second phase of performance pay is included for teachers who take on extra academic and athletic duties. An anticipated pay raise for state workers requires additional local funding to ensure employees paid with local dollars receive the same increase.

These are investments I believe will benefit the entire community many times over, based on the results of an economic impact study released in December. That study, by NC State Professor Michael Walden, found every \$1 spent and retained in the local economy from our operating budget results in total county spending of \$1.76.

Our students' academic gains increased property values by \$11.2 billion, generating \$89.6 million in annual tax revenue. And the academic success helps drive residential growth and the need for new schools. Every dollar spent and retained locally from our capital budget results in total county spending of \$2.23 and is associated with 9.6 jobs in the region, according to the study. This school system plays a key role in the county's economic development.

What cannot be seen in this proposed budget request are expenses deferred or absorbed. For example, the district has added almost 18 special education classrooms since July to handle rapid growth that exceeds even our overall enrollment increases. We have also reduced our

# Message from the Superintendent

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unassigned fund balance for the second consecutive year to an amount that is less than 1.1% of the system's overall operating budget.

In anticipation of – and a strong expectation for – a statewide pay increase, I have deferred a request to use local funding for increased teacher pay. A request for funding to bring non-teaching salaries in line with market rates was also deferred. The list of more than \$98 million in deferred items can be found as part of this document.

About 10 percent of this appropriation request focuses on new or expanding programs. They include:

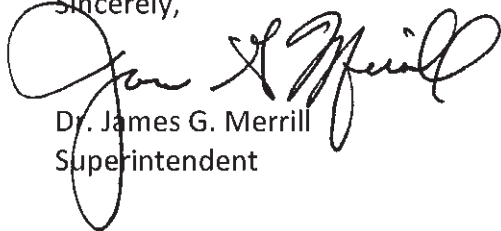
- Spending \$700,000 to continue the redesign of East Wake High school that began with the unification of the four schools in 2015-2016;
- Investing in resources required by the opening of an innovative learning school approved by the school board and reviewed by county commissioners this year;
- Increased use of Instructional Technology Facilitators to build staff capacity to appropriately integrate technology into classroom lessons;
- Funding for new magnet programs and alignment of magnet themes in other schools;
- Visual and performing arts support at the middle schools;
- Funding to restore some of the previous cuts to band uniforms, instrument replacement and the repair of stringed instruments.

In my first budget message of 2014-2015, I provided a five-year target that I include here in closing.

- By 2020, local investments in the students of the Wake County Public School System will be among the largest of North Carolina's urban districts.

Through public forums and continuous feedback, I believe the citizens of Wake County have made their desire clear when it comes to providing the necessary resources to sustain an excellent school system. In doing so, they have also defined a requirement of attractive communities. We look forward to playing our role.

Sincerely,



Dr. James G. Merrill  
Superintendent



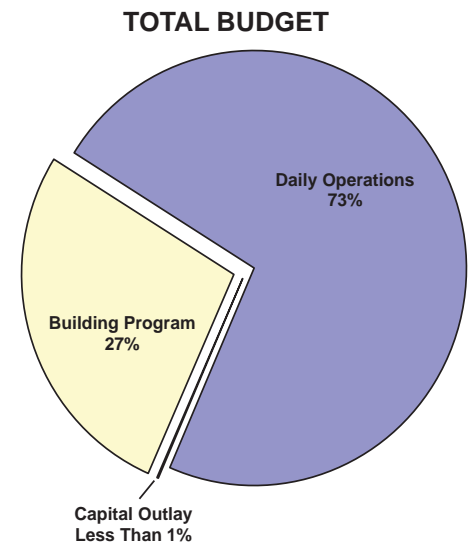
# Budget at a Glance

There are two major components of the Total Budget: Operating Budget and Capital Improvements Budget.

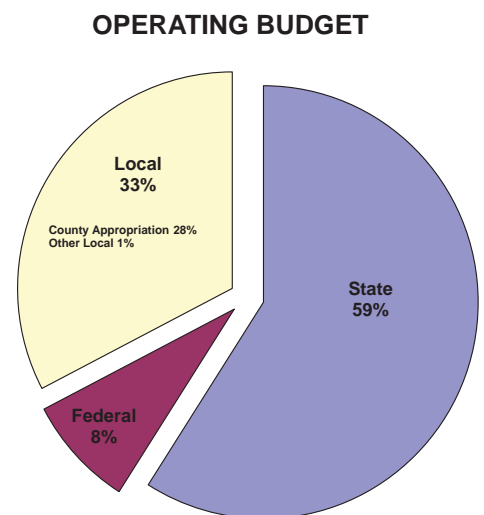
**The Operating Budget** pays for the day-to-day costs of operating the school system, such as salaries and benefits, purchased services, supplies, maintenance, transportation, and utilities. This is the current expense portion of the operating budget. The capital outlay portion of the operating budget includes vehicle and equipment replacement, leases, and relocation of mobile units. The primary sources of funding for the operating budget are state, federal, and county tax dollars, as well as, grants, fees, fines and forfeitures, and interest income.

**The Capital Improvements Budget**, or the building program, pays for design and construction of new schools, expansion of existing schools, and major renovation and replacement of older facilities to meet educational standards. The issuance of bonds, where voters authorize the state or county to borrow money, pays these costs. County revenues pay the bonds over a number of years.

TOTAL BUDGET FOR 2016-17		
DAILY OPERATIONS	\$ 1,472,754,307	73%
+ Capital Outlay (mobile units, furniture, and vehicles)	\$ 2,229,806	<1%
<b>EQUALS OPERATING BUDGET</b>	<b>\$ 1,474,984,113</b>	<b>73%</b>
+ Building Program (provided by taxpayer bonds)	\$ 553,198,629	27%
<b>EQUALS TOTAL BUDGET</b>	<b>\$ 2,028,182,742</b>	<b>100%</b>



OPERATING BUDGET FOR 2016-17				
	Operating Budget		Per Pupil Budget	
<b>State</b>	\$ 870,539,269	59%	\$ 5,466	
County Appropriation	\$ 409,911,000	28%	\$ 2,407	
Enterprise Funds	\$ 41,274,982	3%	\$ 259	
Fund Balance Appropriation	\$ 14,546,345	1%	\$ 91	
Other Local	\$ 9,748,001	1%	\$ 61	
Local - Current Expense Non-restricted	\$ 6,075,000	<1%	\$ 36	
<b>Local</b>	<b>\$ 481,555,328</b>	<b>33%</b>	<b>\$ 2,854</b>	
<b>Federal</b>	<b>\$ 122,889,516</b>	<b>8%</b>	<b>\$ 772</b>	
<b>TOTAL</b>	<b>\$ 1,474,984,113</b>	<b>100%</b>	<b>\$ 9,092</b>	

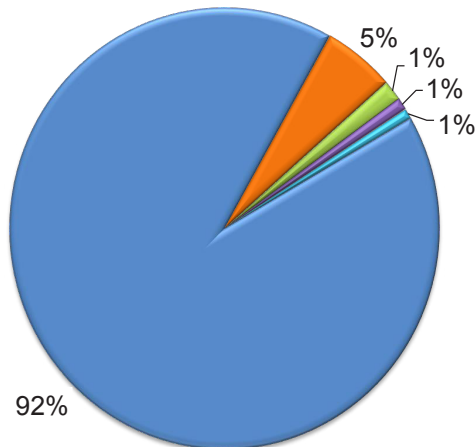







# Budget at a Glance

Where do funds come from?		Where are funds spent?	
<b>State Sources 59%</b>		<b>\$870.5 m</b>	
<b>State Public School Fund</b>		<b>The state budget pays for:</b>	
• Position Allotments	\$574.0 m	Salaries and Benefits	\$837.2 m
• Categorical Allotments	\$154.1 m	Purchased Services	\$25.9 m
• Dollar Allotments	\$93.2 m	Supplies and Materials	\$7.2 m
• Unallotted Categories (State covers actual expenditures but does not allot a specific dollar amount for the following categories: longevity, annual leave, disability, and educational leave)	\$49.1 m	Capital Outlay	\$0.2 m
<b>Child Nutrition - Breakfast Reimbursement</b>	\$0.1 m		
<b>Local Sources 33%</b>		<b>\$481.6 m</b>	
<b>Noncategorical</b> (Most flexible sources)		<b>The local budget pays for:</b>	
• County Appropriation	\$409.9 m	Salaries and Benefits	\$315.5 m
• Fund Balance Appropriation	\$14.5 m	Purchased Services	\$63.3 m
• Indirect Cost (charged to enterprise and grant activities for building use, utilities, maintenance, etc.)	\$5.3 m	Supplies and Materials	\$44.3 m
• Fines and Forfeitures	\$4.3 m	Utilities	\$30.6 m
• E-Rate	\$1.3 m	Transfers to Charter Schools	\$25.4 m
• Tuition and Fees	\$1.2 m	Capital Outlay (mobile units, vehicles, and equipment)	\$2.5 m
• Investment Fund Interest	\$0.6 m		
• Disposition of Fixed Assets	\$0.2 m	Local salary supplement for all teachers & school-based administrators is included in salaries and benefits.	
• Cellular Lease	\$0.2 m		
• Rebates	\$0.2 m		
Unused funds roll to fund balance. County appropriation is received 1/12 each month.			
<b>Enterprise Funds</b> (supported by outside fees)			
• Child Nutrition	\$17.6 m		
• Tuition Programs (Before/After School, Pre-School, Summer Camp, Project Enlightenment, and Summer School Tuition)	\$13.8 m		
• Community Schools	\$9.7 m		
<b>Local Grants/Contracts/Donations</b>	\$2.8 m		
<b>Federal Sources 8%</b>		<b>\$122.9 m</b>	
<b>The federal budget pays for:</b>			
Federal Grants routed through NCDPI	\$76.0 m	Salaries and Benefits	\$68.8 m
Commodities (turkey, beef, cheese)	\$35.4 m	Supplies and Materials	\$27.8 m
Direct Federal Grants	\$3.1 m	Purchased Services	\$25.8 m
Medicaid	\$8.0 m	Capital Outlay	\$0.5 m
ROTC	\$0.4 m		

The vast majority of the school system's funding, over 92 percent, goes directly to the schools. Operations Support, which includes Finance, Human Resources, Child Nutrition Services, Transportation, Maintenance and Operations, and Utilities, makes up 5 percent. The remaining 3 percent is made up by Academic Advancement, which includes Academics, Special Education, and Student Services, Technology, and the other central services divisions.

## Operating Budget: \$1,474,984,113



-  Schools \$1,349.3 m - 92%
-  Operations Support \$79.4 m - 5%
-  Academic Advancement \$22.8 m - 1%
-  Board of Education, Superintendent's Office, Communications, Chief of Staff and Strategic Planning \$13.0 m - 1%
-  Technology Services \$10.5 m - 1%

# Budget at a Glance

## OPERATING BUDGET

The total operating budget is \$1.5 billion. It is a large budget, but when put into context that the system has over 10,000 teachers, teaching over 159,000 students in 177 different schools, it is not.

Public education is a human-resource-intensive business with 83 percent of the Wake County Public School System's (WCPSS) total operating budget invested in its people; 10 percent is spent on purchased and contracted services, 5 percent on supplies and materials, and 2 percent on transfers to charter schools.

Operating Revenue	
State Sources	\$ 870,539,269
Local Sources	481,555,328
Federal Sources	122,889,516
<b>Total</b>	<b>\$ 1,474,984,113</b>

Operating Budget		
Salaries and Benefits	\$ 1,221,420,683	83%
Purchased Services	145,678,130	10%
Supplies and Materials	79,250,301	5%
Capital Outlay	3,218,436	<1%
Transfers to Charter Schools	25,416,563	2%
<b>Total</b>	<b>\$ 1,474,984,113</b>	<b>100%</b>

## STATE FUNDING

The North Carolina General Assembly approves a budget each year. The North Carolina Department of Public Instruction (NCDPI) distributes the budget to school districts using formulas based on the number of schools, student membership, wealth, and size of the district.

State sources pay for 59 percent of the operating budget. The majority of state funding is spent on salaries and benefits. WCPSS receives funds from NCDPI for several different programs within four types of allotments:

- **Position Allotments**, which includes Classroom Teachers, School Building Administration, Instructional Support Personnel, and Career and Technical Education (CTE) Months of Employment, are for specific purposes and are not limited to a specific dollar amount. This means the school system receives a budget of months with no dollar limit; therefore, the most expensive employees are assigned to state months.
- **Dollar Allotments** can be used to hire staff or purchase goods for a specific purpose, but school systems must operate within the allotted dollar amount. Teaching Assistants and Central Office Administration are Dollar Allotments.
- **Categorical Allotments** are used to purchase all services necessary to address the needs of a specific population or service. School systems must operate within the allotted funds. Examples of Categorical Allotments are At-Risk Student Services and Children with Special Needs.
- **Unallotted Categories** include Non-Contributory Employee Benefits. NCDPI covers actual expenditures for longevity, annual leave, disability, and educational leave rather than allotting a specific dollar amount.

State Revenue	
State Public School Fund	\$ 870,399,268
Other Allocations for Current Operations	20,001
Child Nutrition - Breakfast Reimbursement	120,000
<b>Total</b>	<b>\$ 870,539,269</b>

State Budget 59% of the Operating Budget		
Salaries and Benefits	\$ 837,188,939	96%
Purchased Services	25,929,852	3%
Supplies and Materials	7,252,846	1%
Capital Outlay	167,632	<1%
<b>Total</b>	<b>\$ 870,539,269</b>	<b>100%</b>

# Budget at a Glance

## TRANSFERS

Budget managers transfer resources between allotment categories in accordance with General Statute 115C-105.25. Transfers occur throughout the year and must be approved by the North Carolina Department of Public Instruction. The chart below shows transfers between categories in 2015-16 and transfers included in the budget resolution as of September 30, 2016:

Transfers From	2015-16	2016-17
At-Risk Student Services/Alternative Programs and Schools	\$ -	\$ 17,528,987
Limited English Proficiency	8,715,950	8,985,765
Academically or Intellectually Gifted	8,161,372	8,360,430
State Textbook Account	5,091,191	6,680,612
Classroom Materials/Instructional Supplies and Equipment	4,535,763	4,862,127
Disadvantaged Student Supplemental Funding	712,388	4,463,054
Career and Technical Education - Months of Employment	2,539,484	1,272,249
Learn & Earn	84,649	-
<b>Total:</b>	<b>\$ 29,840,797</b>	<b>\$ 52,153,224</b>

Transfers To	2015-16	2016-17
Dollars for Certified Personnel	\$ 19,562,911	\$ 38,181,360
Non-Instructional Support Personnel	8,783,151	13,158,246
Career and Technical Education - Program Support Funds	1,494,735	813,618
<b>Total:</b>	<b>\$ 29,840,797</b>	<b>\$ 52,153,224</b>

## STATE BUDGET IMPACT

Senate Bill 744, Section 6.4(b) legislated in the state's final 2014-15 budget, repealed the previous definition of Continuation Budget and replaced it with a new definition. Student growth is no longer included in the state's Continuation Budget. School districts will not know if they will receive an increase in funding for student growth until the state budget is adopted. The 2016-17 budget approved by the General Assembly did fund student growth.

The statewide budget included the following changes:

- Decreases central services by \$2.5 million, or 2.6 percent, and transportation by \$2.0 million.
- Funds \$10.0 million for textbooks and digital resources, \$2.5 million for instructional supplies, and \$4.0 million for Digital Learning Plan.
- Shifts non-instructional support staff to lottery funding.
- Maintains additional 1st grade teaching positions.
- Funds Drivers Education through motor vehicle registration late fees.
- Increases employer matching benefit rates to 16.33 percent for retirement and \$5,659 per year for hospitalization.
- Compensation Changes
  - Step increase for all teachers and instructional support. Increases range from 2.1 percent to 13.1 percent with the average increase at 4.7 percent.
  - Average step increase of 1.5 percent for assistant principals and principals and a nonrecurring bonus of 0.5 percent.
  - Annual increase of 1.5 percent for non-certified support staff who were permanent, full-time employees in 2015-16 and a nonrecurring bonus of 0.5 percent.
- Bonus Programs
  - Nonrecurring increase of \$17.2 million for merit-based bonuses for non-educators, \$4.3 million for two-year pilot bonuses for advanced placement and IB teachers, and \$0.6 million for bonuses for Career and Technical Education two-year pilot.
  - Recurring increase of \$10.0 million for third grade teacher reading performance pilot bonuses.
  - Teacher Compensation and Advanced Teaching role three-year pilot (\$1.0 million recurring and \$0.1 nonrecurring).

# Budget at a Glance

## LOCAL FUNDING

Local sources support 33 percent of the overall operating budget. The primary local source of funds is county appropriation. Others include grants, donations, fines and forfeitures, interest earned, sales revenue, tuition and parking fees, and fund balance appropriation.

Local Revenue	
County Appropriation	\$ 409,911,000
Tuition and Fees	24,582,182
Child Nutrition Sales Revenue	17,607,800
Local Sources - Unrestricted	6,570,558
Local Sources - Restricted	7,941,741
Special Revenue Services	14,546,345
Fund Transfers	395,702
<b>Total</b>	<b>\$ 481,555,328</b>

Local Budget 33% of the Operating Budget		
Salaries and Benefits	\$ 315,487,038	66%
Purchased Services	93,914,250	19%
Supplies and Materials	44,229,914	9%
Capital Outlay	2,507,563	1%
Transfers to Charter Schools	25,416,563	5%
<b>Total</b>	<b>\$ 481,555,328</b>	<b>100%</b>

## COUNTY APPROPRIATION - CLOSING THE GAP

The Wake County Board of Commissioners determines the amount of county appropriation for the school system. The board of education requested a county appropriation of \$421.7 million for 2016-17, which is an increase of \$35.7 million. Wake County commissioners approved an increase of \$23.9 million, which left a gap of \$11.8 million. The board approved the following changes to close the gap:

- Custodial services reduction
- Temperature settings adjusted by one degree to reduce heating and cooling costs
- A small decrease in instructional supply allotments
- A reduction of central services contracts
- Freezing central office vacancies for 90 days
- Adjustments to teacher funding allotments for elementary and middle schools
- Postponing the expansion of middle school visual and performing arts offerings
- Reducing the transportation budget to absorb state budget reductions for transportation
- Postponing the hiring and implementation of new instructional technology facilitators
- Providing a locally funded 1.5 percent salary increase for non-certified staff

	2015-16	2016-17	Difference	Increase
County Appropriation				
Current Expense	\$ 383,970,976	\$ 407,871,457	\$ 23,900,481	
Capital Outlay	\$ 1,150,969	\$ 1,150,969	\$ -	
Crossroads Lease	\$ 878,055	\$ 888,574	\$ 10,519	
	<b>\$ 386,000,000</b>	<b>\$ 409,911,000</b>	<b>\$ 23,911,000</b>	<b>6%</b>
Student Membership				
WCPSS	157,352	159,250	1,898	1%
Charter Schools	9,833	11,026	1,193	12%
	<b>167,185</b>	<b>170,276</b>	<b>3,091</b>	<b>2%</b>
<b>Allocation Per Student</b>	<b>\$ 2,309</b>	<b>\$ 2,407</b>	<b>\$ 98</b>	<b>4%</b>

# Budget at a Glance

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## FEDERAL FUNDING

Federal sources support 8 percent of the school system's operating budget. Federal funding is primarily comprised of restricted and unrestricted grants. Some grants from the federal government are routed through the North Carolina Department of Public Instruction and some are received directly. Restricted grants have to be used for specific purposes, while unrestricted grants can be used for multiple purposes. Federal grants typically have different fiscal years than those of the school district; therefore, carryover funds will occur.

Federal Revenue	
Restricted Grants (Received through NCDPI)	\$ 75,960,064
Restricted Grants (Received Directly)	11,103,821
USDA Grants	35,375,631
ROTC	450,000
<b>Total</b>	<b>\$ 122,889,516</b>

Federal Budget 8% of the Operating Budget		
Salaries and Benefits	\$ 68,744,706	56%
Purchased Services	25,834,028	21%
Supplies and Materials	27,767,541	23%
Capital Outlay	543,241	<1%
<b>Total</b>	<b>\$ 122,889,516</b>	<b>100%</b>

# Budget Development

## BUDGET PROCESS

Budget development is a year-round process beginning in the fall and culminating with the adoption of the budget resolution in June by the Wake County Board of Education. Participation in the process of budget development includes input from schools, central services departments, the public, and other stakeholders.

The Superintendent's Leadership Team develops the proposed budget and delivers it to the board of education. Following review, a public hearing, and any changes, the board takes action to approve the Board of Education's Proposed Budget and delivers it to the Wake County Board of Commissioners by May 15. The board adopts a budget resolution for a beginning budget following action by the county commissioners.

The budget process begins after the Budget Department provides budget managers with instructions and budgetary assumptions for creating business cases. Budget managers submit business cases to propose an increase or decrease to the budget. Business cases are created for each area based on variables such as student membership, new schools, and calendar and rate changes.

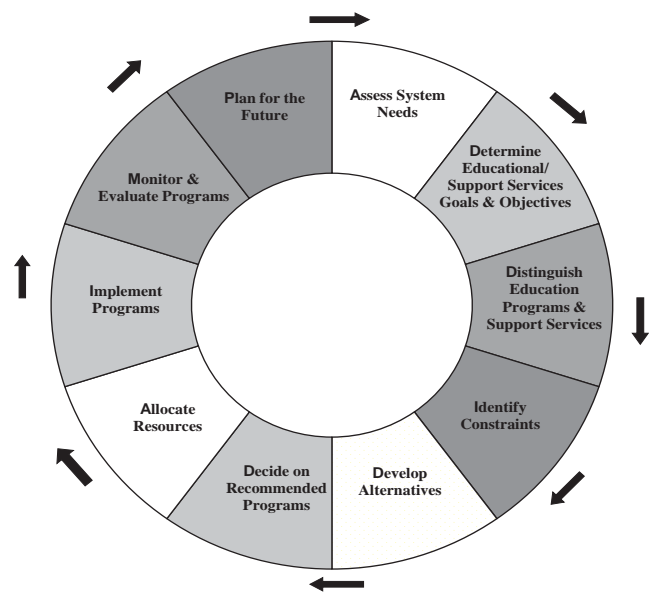
Business cases are organized into the following categories:

- Growth
- Program Continuity
- Legislative Impact
- Removal of Prior Year One-Time Costs
- Program Reduction or Elimination
- New or Expanding Program
- Changes to Grants, Donations, and Fees
- Grants, Donations, and Fees Ending
- Capital Building Program

Within each category, the cases are grouped together by area.

The Superintendent's Leadership Team reviews each budget request and develops a balanced budget by applying funding sources to accomplish the strategic plan of the school system while maximizing use of taxpayer dollars.

## THE BUDGET CYCLE



## BUDGET ACTIVITIES IN 2015-16

October	Present timeline and set expectations for the development of the Superintendent's Proposed Budget to the Leadership Team.
November 20	Each division submits business cases for the 2016-17 budget.
December	Budget staff prepare an unbalanced budget for the superintendent's review.
January - February	Superintendent's team work sessions to balance the budget.
February 2	Board of education focus area work session.
March 15	Deliver the Superintendent's Proposed Budget to the board of education.
April 5	Public hearing and board of education work session on the Superintendent's Proposed Budget.
April 19	Board of education work session on the Board of Education's Proposed Budget.
May 3	Board of education approval of the Board of Education's Proposed Budget.
May 15	Deliver the Board of Education's Proposed Budget to the county commissioners.
October 18	Board of education adopts a budget resolution.

# Budget Development

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## BOARD OF EDUCATION'S FOCUS AREAS FOR THE 2016-17 OPERATING BUDGET

At the February 2 board of education work session, the superintendent provided a summary of focus areas being considered for the proposed budget. Board members were divided into two groups for discussion. Each group then reported a summary to the full board. The focus areas identified by the board are:

### Academics

- Foreign language instruction in elementary grades
- Alternative programs
- Programs for academically at-risk students - Limited English Proficiency (LEP), Student with Disabilities (SWD), Emotionally Disturbed (ED)
- Programs for Academically or Intellectually Gifted (AIG) students
- Expansion of Pre-K (Ready to Learn Centers)
- Flex Academy/alternative learning center for suspended students
- More choice models in and around central Wake
- Reformulate and enhance the arts
- Reduce testing
- Redesign and enhance CMAPP (Curriculum Management Application)

### Differentiated Resourcing

- Elementary Support Model (ESM) schools: professional development, staffing strong teachers, and more incentives
- Directing more resources toward equity efforts with proven results
- A middle school emphasis on literacy, social services, support, electives, arts, textbooks, salaries, and incentives
- Full-time social worker and smaller class sizes in schools with greater than 60 percent of students considered low-income

### Professional Development

- An emphasis on Human Capital needs
- An emphasis on recruitment and retention
- Leadership development: creating a pipeline of teachers, leaders, and assistant principals

### Technology/Supplies

- Tech support for instructional staff
- Tech device plan
- Supplies for classrooms

### Administration

- Equity Study
- Improve customer service communication



# Budget Development

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## POTENTIAL RISKS

There are some areas of uncertainty that exist regarding the 2016-17 budget that could impact costs. The areas of uncertainty are:

### **Affordable Care Act**

Effective January 2015, the Affordable Care Act requires large employers (those with over 50 employees) to offer health care insurance to employees that work beyond 30 hours per week on average. The measurement period for continuing employees is a 12-month 'look back' average of time worked and the measurement period for new hires considered full-time is on a monthly basis. Approximately 20 to 30 employees were 'newly eligible' for health care insurance as of January 2015 and were offered the new High Deductible Health Plan with benefits equivalent to the 'Bronze Plan' on the Federal Healthcare Marketplace. The State Health Plan cost allocation for employers is currently set at \$117.62 per month per employee electing coverage. The current budget is \$21,250. Costs could be as high as \$42,500.

### **Charter Schools**

In accordance with General Statute 115C-238.29H, local current expense revenues are distributed to charter schools based on the number of charter school students. There was a 45 percent increase in charter school students over the last two years. The amount of increase in 2016-17 will depend on student membership of Wake County Public School System (WCPSS) students, Wake County students attending charter schools, and total local current expense revenues. The budget includes an increase of \$2.5 million for 2016-17. The actual increase could be higher.

### **Continuation Budget Funding - Student Growth**

Senate Bill 744, Section 6.4(b) legislated in the state's final 2014-15 budget, repeals the previous definition of Continuation Budget and replaced it with a new definition. Student growth will no longer be included in the state's Continuation Budget. School districts will not know if they will receive an increase in funding for student growth until the state budget is adopted. WCPSS allots resources to schools in the spring for the coming year, and recruits to fill teaching positions during the same time period. The 2016-17 budget approved by the General Assembly did fund student growth.

### **Lapsed Salaries**

The budget includes 5,153 Months of Employment (MOE), or approximately 500 positions or \$19.5 million, to be paid by lapsed salaries. This equates to 2.6 percent of all months. The typical vacancy rate has been 3.8 percent.

### **Pension Spiking**

Pension spiking is a substantial increase in compensation that results in unusually high liabilities to the Retirement System. The Anti-Pension Spiking Contribution-Based Benefit Cap approach to limiting pension spiking will prevent employers in the Retirement Systems from absorbing the additional liabilities caused by pension spiking by other employers. The pension spiking cap only applies to individuals with an Average Final Compensation (AFC) of \$100,000 or higher, adjusted annually for inflation, and will only directly impact a small number of those individuals. The maximum number of people per year who can be affected by the cap is 0.75 percent of retirees. For members who enter the Retirement System from which they retire before January 1, 2015, the last employer will pay the cost of the additional liability on the Retirement System caused by the pension spike. For members who enter the Retirement System from which they retire on or after January 1, 2015, the employer or employee may pay for the additional liability, or the employee can choose to receive a reduced benefit. WCPSS has three employees under review for a potential unfunded liability cost.

### **Sales Tax Legislation**

Effective March 1, 2016, certain repair, maintenance, and installation services will be taxable under new sales tax legislation. The new laws will reduce the purchasing power of the departments within WCPSS utilizing these services by the 4.75 percent state sales tax.

### **Unemployment Reserve**

Beginning with the new law changes effective June 30, 2013, WCPSS was required to build and maintain an account balance reserve of 1 percent of annual taxable wages. The reserve was established in 2013-14. There will be an annual reconciliation process that could require additional budget dependent on turnover rates, head count, and taxable wage base.

### **Utility Rate Increase**

The proposed budget does not include any rate increases. Any changes in rates would impact budgets costs.

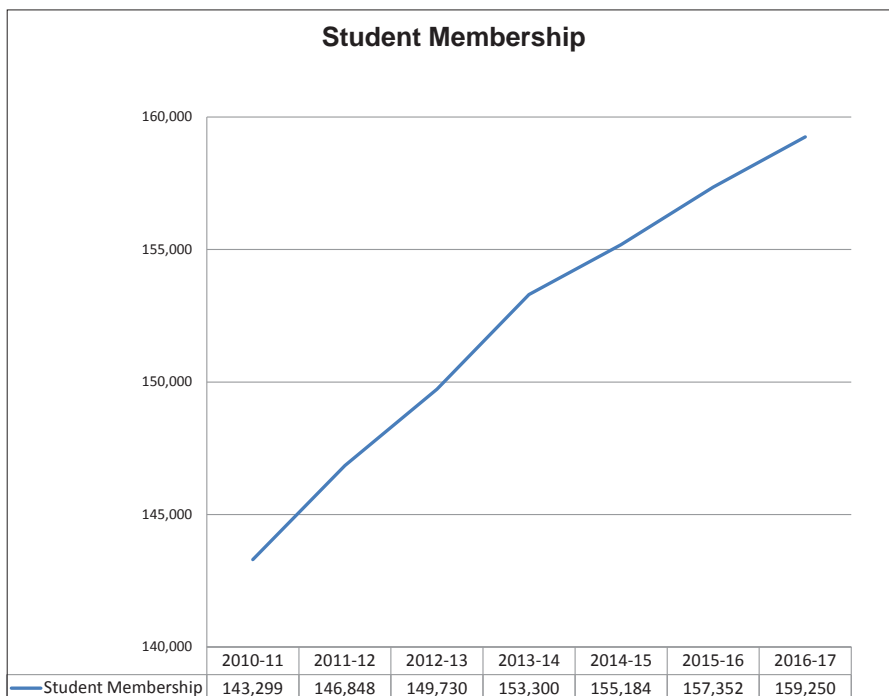
# Membership Data

The Wake County Public School System is the largest school district in North Carolina and the 15th largest school district in the country. The projected number of students for 2016-17 is 159,250; including 74,699 elementary school students, 36,295 middle school students, and 48,256 high school students. School system and county staff, along with ITRE/ORED, review data and develop projections for student membership based on multiple factors.

K-12 Student Membership (2 <sup>nd</sup> month average daily membership)							
Grade Level	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Projected
K - 5	69,323	70,808	71,454	72,883	72,742	73,699	74,699
6 - 8	32,733	33,820	34,739	35,713	36,319	35,914	36,295
9 - 12	41,243	42,220	43,537	44,704	46,123	47,739	48,256
<b>Total</b>	<b>143,299</b>	<b>146,848</b>	<b>149,730</b>	<b>153,300</b>	<b>155,184</b>	<b>157,352</b>	<b>159,250</b>

School Year	Special Education Students (PreK-12)	Limited English Proficient Students (PreK-12)
	Based on December 1	Based on October 1
2010-11	18,810	11,883
2011-12*	19,585	11,578
2012-13	19,947	11,547
2013-14	20,287	12,094
2014-15	20,656	12,549
2015-16	20,880	12,601

\*2011-12 is the first year LEP has included PreK students in their October 1 count.



2016-17	
Student Membership Projection By Grade	
K	12,221
1	12,123
2	12,432
3	12,612
4	12,685
5	12,626
6	12,195
7	11,685
8	12,415
9	13,730
10	12,276
11	11,618
12	10,632
	<b>159,250</b>

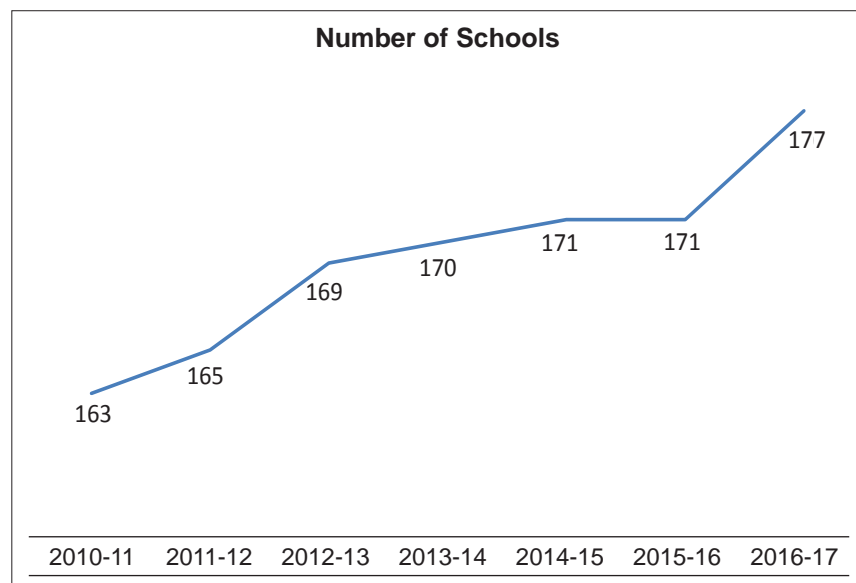
# School Data

2016-17

New Schools	Estimated Student Membership
<b>Traditional Calendar</b>	
1. Beaverdam Elementary	688
2. Oakview Elementary	570
3. Pleasant Grove Elementary	507
4. White Oak Elementary	228
5. Crossroads FLEX	
<b>Year-Round Calendar</b>	
6. Pine Hollow Middle	801
<b>Calendar Changes</b>	
Highcroft Elementary is moving from single-track year-round to traditional calendar.	
Barwell and Wilburn elementary schools are moving from multi-track year-round to single-track year-round.	

Number of Schools by Grade	
Elementary	110
Middle	36
High	28
K-8 Academy	1
6-12 Leadership Academy	2
<b>Total</b>	<b>177</b>

Number of Schools by Calendar	2015-16	Inc./ Dec.	2016-17
<b>Traditional</b>			
Elementary	67	5	72
Middle	23		23
High	24	1	25
K-8 Academy	1		1
<b>Total</b>	<b>115</b>	<b>6</b>	<b>121</b>
<b>Single Track YR</b>			
Elementary	7	1	8
Middle	2		2
<b>Total</b>	<b>9</b>	<b>1</b>	<b>10</b>
<b>Multi-Track YR</b>			
Elementary	30	(2)	28
Middle	8	1	9
<b>Total</b>	<b>38</b>	<b>(1)</b>	<b>37</b>
<b>Modified</b>			
Elementary	2		2
Middle	2		2
High	1		1
<b>Total</b>	<b>5</b>	<b>0</b>	<b>5</b>
<b>Early College Calendar</b>			
High	2		2
Leadership Academies	2		2
<b>Total</b>	<b>4</b>	<b>0</b>	<b>4</b>
<b>Total</b>	<b>171</b>	<b>6</b>	<b>177</b>



Square Footage	
2015-16	22,874,430
Increase	528,659
<b>Total</b>	<b>23,403,089</b>

Acreage	
2015-16	4,604
Increase	184
<b>Total</b>	<b>4,788</b>

# Per Pupil Comparison

The source used for the Per Pupil Expenditure Ranking 2014-15 table compares public schools in North Carolina. It is computed only for current expense expenditures (excluding community services, Head Start, adult education, and inter/intra fund transfers) by using final average daily membership. The source used for the Comparison of Per Pupil Spending with National Districts as of 2012-13 was the U.S. Census Bureau which used fall 2012 membership for the enrollment data.

The Wake County Public School System (WCPSS) ranks 108 and 107 out of 115 districts in state and federal funding despite being the largest district in North Carolina. Larger districts receive less state and federal funding and must fill the gap with county appropriations.

## Largest Five North Carolina Districts Per Pupil Expenditure (PPE) Ranking (excluding Child Nutrition) 2014-15

School System	Final Average Daily Membership	Rank out of 115 Districts	State PPE		Federal PPE		Local PPE		Total PPE	
			PPE	Rank	PPE	Rank	PPE	Rank	PPE	Rank
<b>WCPSS</b>	<b>153,488</b>	<b>1</b>	<b>\$ 5,302</b>	<b>108</b>	<b>\$ 453</b>	<b>107</b>	<b>\$ 2,292</b>	<b>23</b>	<b>\$ 8,048</b>	<b>86</b>
Charlotte-Mecklenburg	144,497	2	\$ 5,064	115	\$ 608	79	\$ 2,276	24	\$ 7,948	88
Guilford	71,502	3	\$ 5,424	100	\$ 650	68	\$ 2,781	11	\$ 8,855	49
Forsyth	53,648	4	\$ 5,518	93	\$ 699	58	\$ 2,246	26	\$ 8,463	65
Cumberland	50,258	5	\$ 5,397	102	\$ 829	35	\$ 1,689	67	\$ 7,915	93
State	1,433,592		\$ 5,634		\$ 639		\$ 2,029		\$ 8,301	
WCPSS Compared to the State	10.7%		\$ (332)		\$ (186)		\$ 263		\$ (253)	

Sources: Public Schools of North Carolina website: <http://apps.schools.nc.gov/statisticalprofile>

Per pupil spending as of 2012-13 is the most recent data available for national comparisons. The national average for per pupil spending in 2012-13 was \$10,700. The average per pupil spending in North Carolina that same year was \$8,390. WCPSS spent \$7,730 per student; 8 percent less than the state average, and 28 percent less than the national average.

## Comparison of Per Pupil Spending with National Districts as of 2012-13

School System	City	2012-13 Enrollment	Per Pupil Spending
Montgomery County	Rockville, MD	148,780	\$ 15,080
Prince George's	Upper Marlboro, MD	123,737	\$ 14,101
Fairfax	Fairfax, VA	180,616	\$ 13,670
Philadelphia	Philadelphia, PA	143,898	\$ 12,271
Memphis	Memphis, TN	107,594	\$ 9,960
San Diego	San Diego, CA	130,271	\$ 9,376
Gwinnett County	Lawrenceville, GA	164,976	\$ 8,838
Duval County	Jacksonville, FL	125,686	\$ 8,391
Dallas	Dallas, TX	158,932	\$ 8,335
Charlotte-Mecklenburg	Charlotte, NC	144,478	\$ 8,132
<b>Wake County</b>	<b>Cary, NC</b>	<b>150,956</b>	<b>\$ 7,730</b>

Source: U.S. Census Bureau website: <http://www.census.gov/content/dam/Census/library/publications/2015/econ/g13-aspef.pdf>

# Deferred Needs

The Deferred Needs list indicates business cases considered but not included in the budget. Staff will continue to monitor actual costs and collections compared to budgeted amounts on an ongoing basis to identify savings during the year that could be applied towards these items.

	MOE	Recurring Cost	One-Time Cost	Total Cost
Teacher and School-Based Administrator Supplement Pay Increase (Years 2-5)	-	\$ 64,000,000	\$ -	\$ 64,000,000
Student/Teacher Device Replacement in Schools	-	8,000,000	-	8,000,000
Compensation Study Market Adjustments	-	7,500,000	-	7,500,000
Extra Duty Salary Increase (Years 3-5)	-	4,364,982	-	4,364,982
Establish Facility Painting Schedule	-	4,235,456	-	4,235,456
Instructional Technology Facilitators	605.00	3,401,663	-	3,401,663
Assistant Principal Formula for Middle Schools	165.00	1,286,704	-	1,286,704
Maintenance Square Footage and Ground Acreage	-	618,404	-	618,404
Support Vehicles	-	-	605,020	605,020
Literacy K-12 Academic Initiatives	98.00	549,286	-	549,286
Elementary Support Model and State-Identified Low-Performing Schools	-	500,000	-	500,000
Online Registration and Electronic Cumulative Records	-	300,000	177,500	477,500
Office of Equity Affairs Expansion	36.00	445,064	-	445,064
Middle School Academics Visual and Performing Arts	75.00	421,692	-	421,692
Talent/Professional Learning Management System	-	230,000	-	230,000
Academically or Intellectually Gifted Co-Teachers	36.00	202,414	-	202,414
Leadership Development	-	194,000	-	194,000
Instructional Technology Coordinating Teachers	24.00	132,637	-	132,637
Recruiter	12.00	125,435	850	126,285
Resealing of Hardwood Floors	-	114,558	-	114,558
Intervention Services Program Director	12.00	110,428	-	110,428
Customer Service for Transportation	12.00	110,428	-	110,428
Senior Administrator for Student Assignment	12.00	98,671	4,600	103,271
Senior Administrator - Enterprise Systems	12.00	98,671	-	98,671
Data Governance Audit	-	-	95,000	95,000
Integrated Pest Management Master Craftsman	12.00	54,920	27,000	81,920
Payroll Operations Specialist	12.00	79,466	-	79,466
Before and After School Programs Senior Administrator	12.00	69,621	-	69,621
Beginning Teacher Coordinator	12.00	66,318	2,350	68,668
Accountant	12.00	65,970	850	66,820
Elementary Intervention Coordinating Teacher	12.00	66,318	-	66,318
Research Associate for Data, Research, and Accountability	12.00	63,459	-	63,459
Hardware and Software Management Solution	-	41,880	-	41,880
Bus Driver Uniforms	-	-	39,142	39,142
<b>TOTAL DEFERRED NEEDS</b>	<b>1,183.00</b>	<b>\$ 97,548,445</b>	<b>\$ 952,312</b>	<b>\$ 98,500,757</b>

# Adjusting to the Budget Resolution

The Board of Education's Proposed Budget includes business cases for increases and decreases recommended in the budget from 2015-16 to 2016-17. The board approved their proposed budget as the interim budget resolution to begin the fiscal year awaiting the approval of a state budget. The legislature approved a budget in July. The board finalized adjustments to the state budget and county appropriation in October. A summary of changes from the interim budget resolution to the approved budget resolution are provided below. The Adopted Budget document is an abbreviated version of the Board of Education's Proposed Budget. Refer to the Board of Education's Proposed Budget document for detailed information on the business cases.

	State	Local	Federal	Total
<b>Interim Budget Resolution on July 1</b>	<b>\$ 873,867,529</b>	<b>\$ 855,652,849</b>	<b>\$ 114,887,312</b>	<b>\$ 1,844,407,690</b>
<b>State Budget Impact</b>				
Dollars for Certified Personnel	\$ 21,400,814	\$ -	\$ -	\$ 21,400,814
Classroom Teachers	5,736,600	-	-	5,736,600
Non-Instructional Support Personnel	3,876,533	-	-	3,876,533
School Technology Fund	3,536,461	-	-	3,536,461
Merit Bonus	1,736,050	-	-	1,736,050
Non-Contributory Employee Benefits	1,258,903	-	-	1,258,903
Career and Technical Education Program Support	648,519	-	-	648,519
Compensation Bonus	570,311	-	-	570,311
Assistant Principal Intern	427,008	-	-	427,008
School Building Administration	407,743	-	-	407,743
Instructional Support Personnel - Certified	369,177	-	-	369,177
After-School Quality Improvement Grant	178,395	-	-	178,395
Behavioral Support	504	-	-	504
NBPTS Educational Leave	209	-	-	209
Developmental Day and Community Residential	(25)	-	-	(25)
Learn and Earn	(1,972)	-	-	(1,972)
mClass Reading 3D	(26,800)	-	-	(26,800)
Driver Training	(41,374)	-	-	(41,374)
Classroom Materials, Instructional Supplies, and Equipment	(48,590)	-	-	(48,590)
Central Office Administration	(139,771)	-	-	(139,771)
Summer Reading Camps	(422,169)	-	-	(422,169)
LEA Financed Purchase of School Buses	(428,778)	-	-	(428,778)
Career and Technical Education MOE	(567,255)	-	-	(567,255)
Teaching Assistants	(620,010)	-	-	(620,010)
Children with Special Needs	(648,011)	-	-	(648,011)
Disadvantaged Student Supplemental Funding	(4,004,952)	-	-	(4,004,952)
State Textbook Account	(4,497,835)	-	-	(4,497,835)
Transportation of Pupils	(13,364,599)	-	-	(13,364,599)
At-Risk Student Services/Alternative Programs and Schools	(18,630,746)	-	-	(18,630,746)
<b>Total State Budget Impact</b>	<b>\$ (3,295,660)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (3,295,660)</b>

# Adjusting to the Budget Resolution

	State	Local	Federal	Total
<b>Adjust Estimates to Actuals for Self-Supporting Programs</b>				
Building Program	\$ -	\$ 179,898,629	\$ -	\$ 179,898,629
Grants	-	(172,524)	5,791,282	5,618,758
Medicaid	-	-	2,210,922	2,210,922
Tuition Enterprise Programs	-	2,197,131	-	2,197,131
Positions paid from Special Funds of Individual Schools	-	395,702	-	395,702
Donations	-	124,424	-	124,424
4C Grant carryover	-	68,424	-	68,424
	<b>\$ -</b>	<b>\$ 182,511,786</b>	<b>\$ 8,002,204</b>	<b>\$ 190,513,990</b>
<b>Budget Increases</b>				
Salary and Bonus Adjustments	\$ -	\$ 5,342,299	\$ -	\$ 5,342,299
Employer matching benefit rate changes	-	1,644,986	-	1,644,986
	<b>\$ -</b>	<b>\$ 6,987,285</b>	<b>\$ -</b>	<b>\$ 6,987,285</b>
<b>Budget Reductions</b>				
Remove one-time cost of CDL training	\$ -	\$ (55,552)	\$ -	\$ (55,552)
Barwell and Wilburn elementary schools calendar changes	-	(151,831)	-	(151,831)
Read to Achieve Reading Camp	-	(271,010)	-	(271,010)
Change temperature set points	-	(404,769)	-	(404,769)
Decrease Community Schools expenditures	-	(406,000)	-	(406,000)
Decrease instructional supply allotment to schools by \$3.04/student	-	(480,929)	-	(480,929)
Transportation routing changes	-	(694,000)	-	(694,000)
Additional fines and forfeitures in the School Technology Fund and additional carryover in Medicaid	-	(841,214)	-	(841,214)
Freeze central services vacancies	-	(1,000,000)	-	(1,000,000)
Repurpose state and local Disadvantaged Student Supplemental Funding	-	(1,000,000)	-	(1,000,000)
Reduce central services contracts	-	(2,000,000)	-	(2,000,000)
Custodial reduction of one day/week at middle and high schools and a reduction to five days/two weeks at elementary schools	-	(2,123,504)	-	(2,123,504)
Adjust ADM teacher formula at elementary schools by 0.30 student and middle schools by 0.15 student	-	(2,714,597)	-	(2,714,597)
	<b>\$ -</b>	<b>\$ (12,143,406)</b>	<b>\$ -</b>	<b>\$ (12,143,406)</b>

# Adjusting to the Budget Resolution

	State	Local	Federal	Total
<b>Fund Balance Appropriations</b>				
Textbook Reserve	\$ -	\$ 2,606,486	\$ -	\$ 2,606,486
Carryforward Purchase Orders	-	1,327,281	-	1,327,281
Startup dollars for new schools	-	108,614	-	108,614
Municipal Collaboration Funds	-	26,846	-	26,846
Driver Education Fleet Vehicles	-	8,695	-	8,695
Increase fund balance appropriation	(32,600)	32,600	-	-
	<b>\$ (32,600)</b>	<b>\$ 4,110,522</b>	<b>\$ -</b>	<b>\$ 4,077,922</b>
<b>Business Cases Removed</b>				
Middle School Academics Visual and Performing Arts (New Program)	\$ -	\$ (421,692)	\$ -	\$ (421,692)
Instructional Technology Facilitators (New Program)	-	(843,387)	-	(843,387)
Positions Previously Funded by the Title II - Improving Teacher Quality Grant (Program Continuity)	-	(1,100,000)	-	(1,100,000)
	<b>\$ -</b>	<b>\$ (2,365,079)</b>	<b>\$ -</b>	<b>\$ (2,365,079)</b>
<b>Approved Budget Resolution</b>	<b>\$ 870,539,269</b>	<b>\$ 1,034,753,957</b>	<b>\$ 122,889,516</b>	<b>\$ 2,028,182,742</b>



# Organization



# Board of Education

The Wake County Board of Education is the local governing body of the Wake County Public School System. Its nine members are each elected from separate county districts and serve staggered four-year terms.

The school board sets policy for the school system that is implemented by the superintendent and administrative staff. The board also adopts an annual budget proposal that includes its request for local funding from the Wake County Board of Commissioners as well as its plan for using state and federal funds. The school board does not have taxing authority.

The North Carolina State Board of Education, as legislated by the North Carolina General Assembly, provides statewide public school governance. The state is responsible for the majority of the district's funding as well as oversight of core academic curricula.



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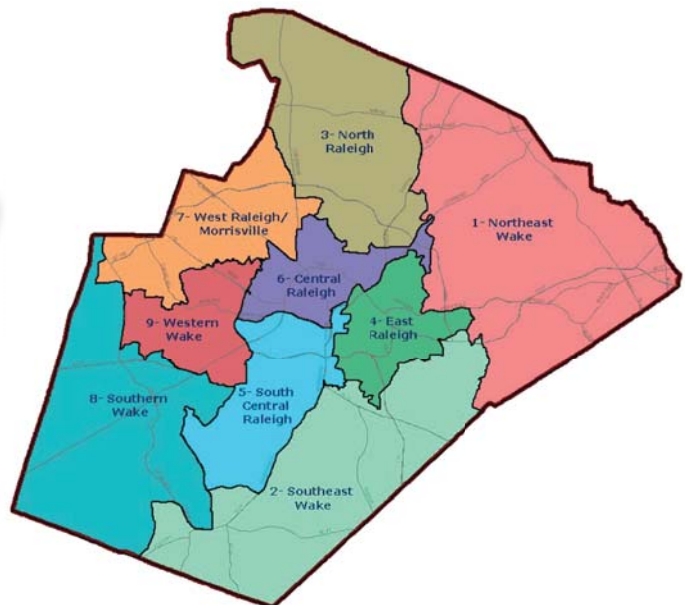


**Susan Evans**  
District 8  
Southern Wake  
[sevans5@wcpss.net](mailto:sevans5@wcpss.net)



**Bill Fletcher**  
District 9  
Western Wake  
[bfletcher@wcpss.net](mailto:bfletcher@wcpss.net)

## Board of Education District Map



Visit the Wake County Public School System website for a list of meeting dates and times:  
<http://www.wcpss.net/domain/2754>

# Board's Strategic Plan

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## VISION

All Wake County Public School System (WCPSS) students will be prepared to reach their full potential and lead productive lives in a complex and changing world.

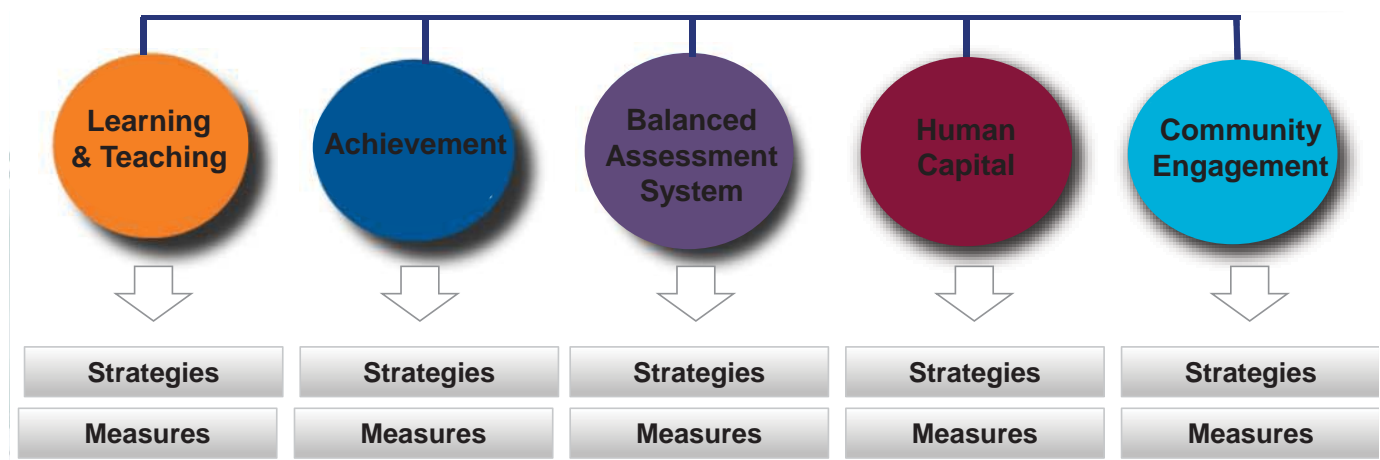
## MISSION

WCPSS will provide a relevant and engaging education and will graduate students who are collaborative, creative, effective communicators, and critical thinkers.

## GOAL

By 2020, WCPSS will annually graduate at least 95 percent of its students ready for productive citizenship as well as higher education or a career.

## STRATEGIC OBJECTIVES



To provide teachers and students with the opportunity to participate in a relevant, rigorous, innovative, and comprehensive learning environment.



To increase proficiency and growth rates across all groups and eliminate predictability of achievement.



To develop and implement a balanced assessment system that accurately reflects students' knowledge of core curriculum standards as well as the ability to collaborate, be creative, communicate, and think critically.



To identify, recruit, develop, and retain highly effective talent.



To foster shared responsibility for student success by building trust, collaboration, and engagement among staff, families, and community partners.

# Board's Strategic Plan

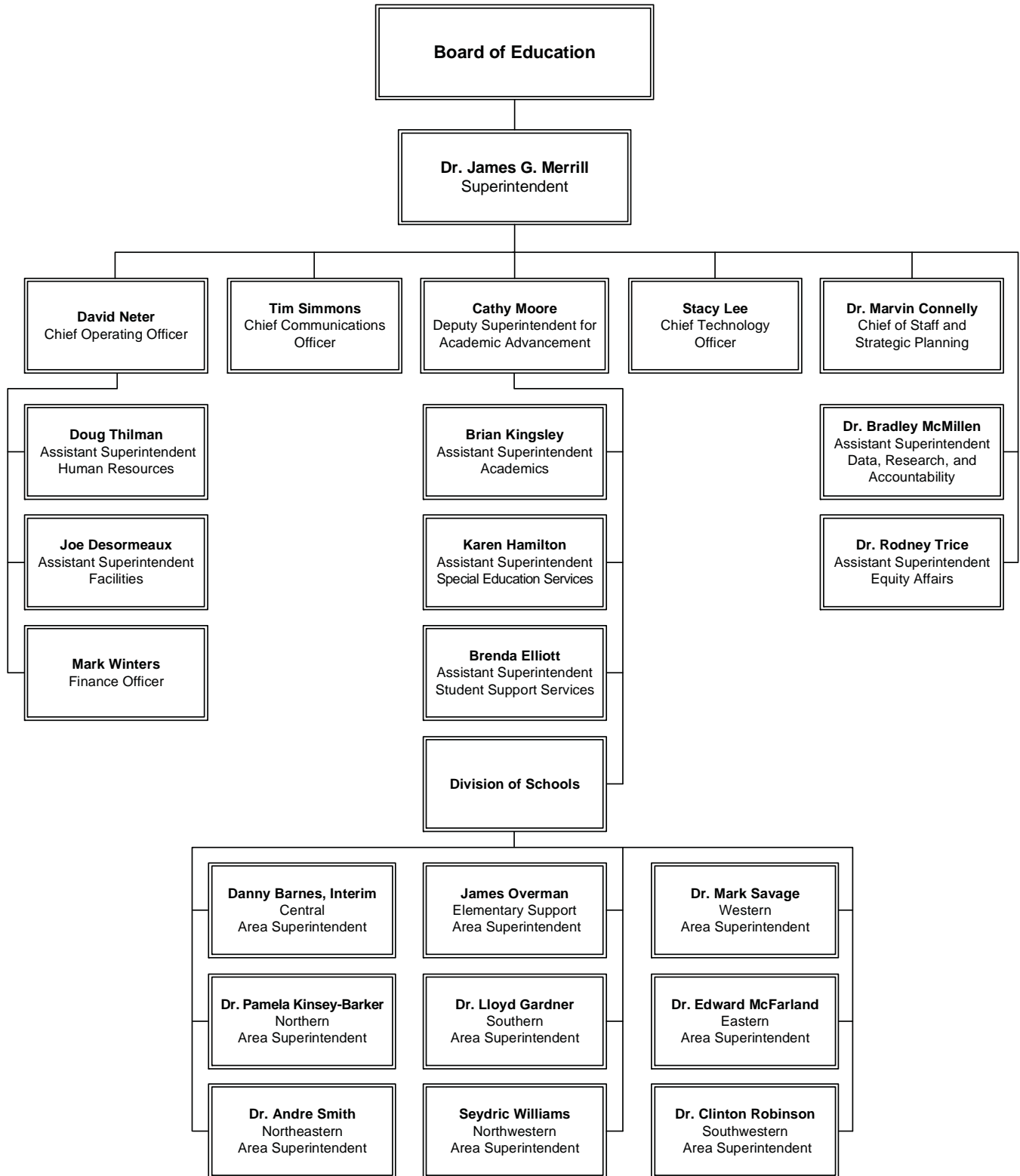
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## CORE BELIEFS

1. Every student is uniquely capable and deserves to be challenged and engaged in relevant, rigorous, and meaningful learning each day.
2. Every student is expected to learn, grow, and succeed while we will eliminate the ability to predict achievement based on socioeconomic status, race, and ethnicity.
3. Well-supported, highly effective, and dedicated principals, teachers, and staff are essential to success for all students.
4. The board of education, superintendent, and all staff, while sustaining best practices, will promote and support a culture of continuous improvement, risk-taking, and innovation that results in a high-performing organization focused on student achievement.
5. The board of education, superintendent, and all staff value a diverse school community that is inviting, respectful, inclusive, flexible, and supportive.
6. The Wake County residents value a strong public school system and will partner to provide the support and resources to fully realize our shared vision, accomplish the mission, and sustain our core beliefs.

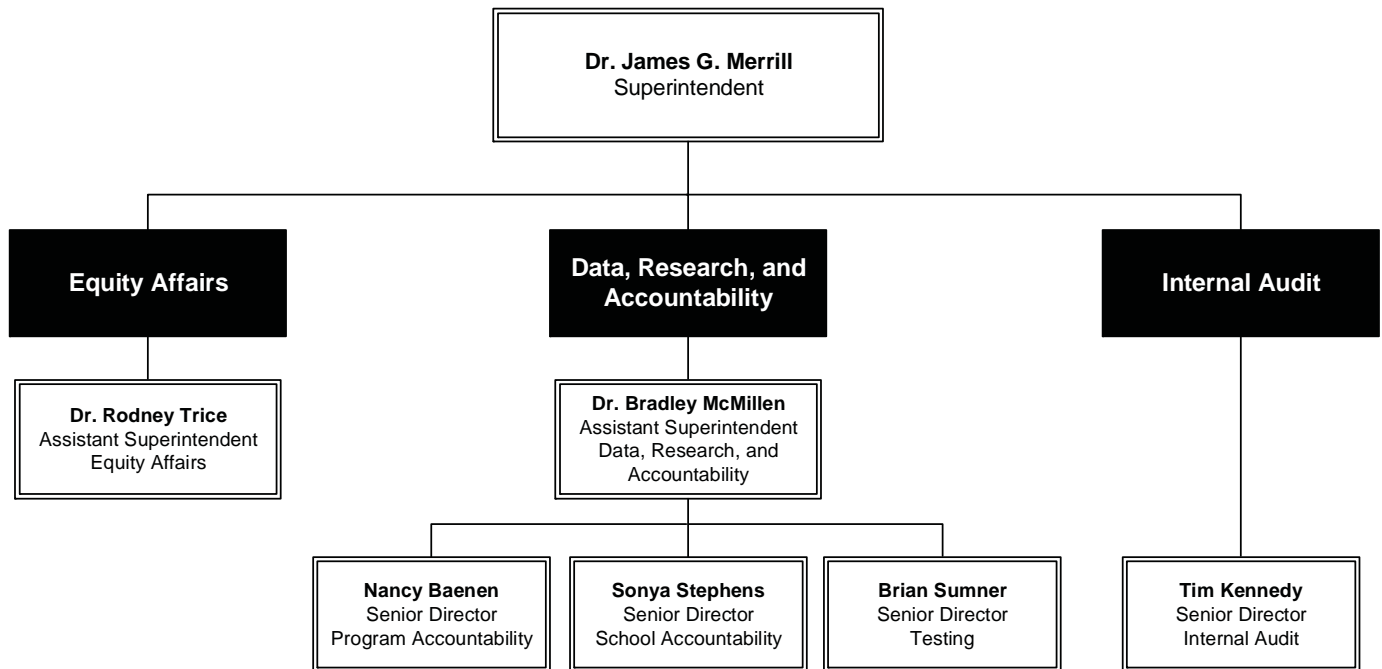
# Organization Charts

## BOARD OF EDUCATION

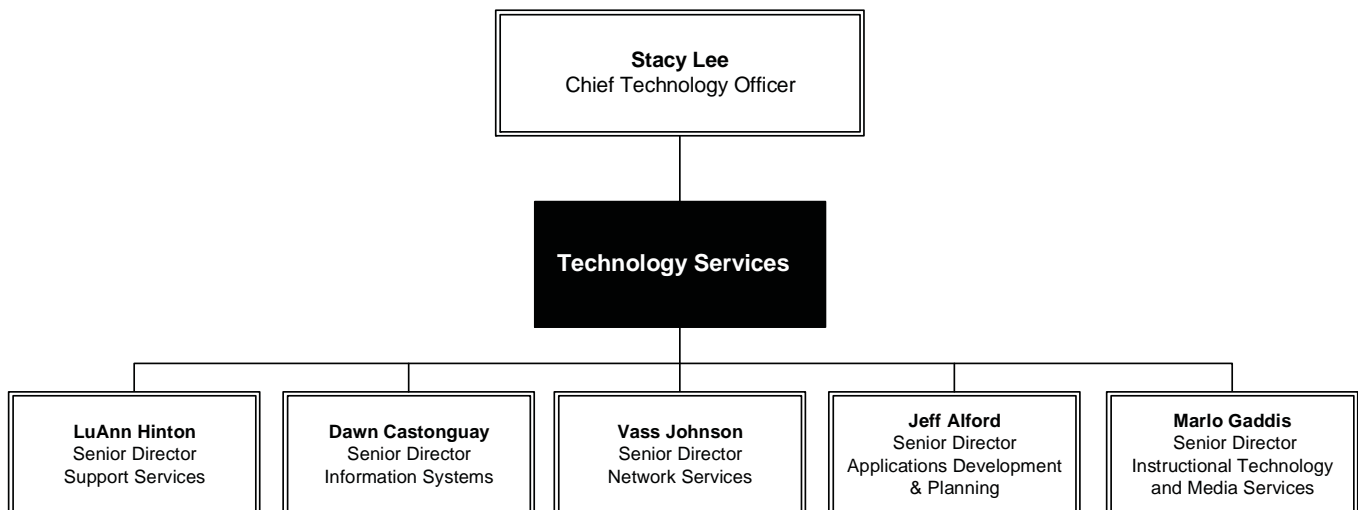


# Organization Charts

## SUPERINTENDENT'S OFFICE

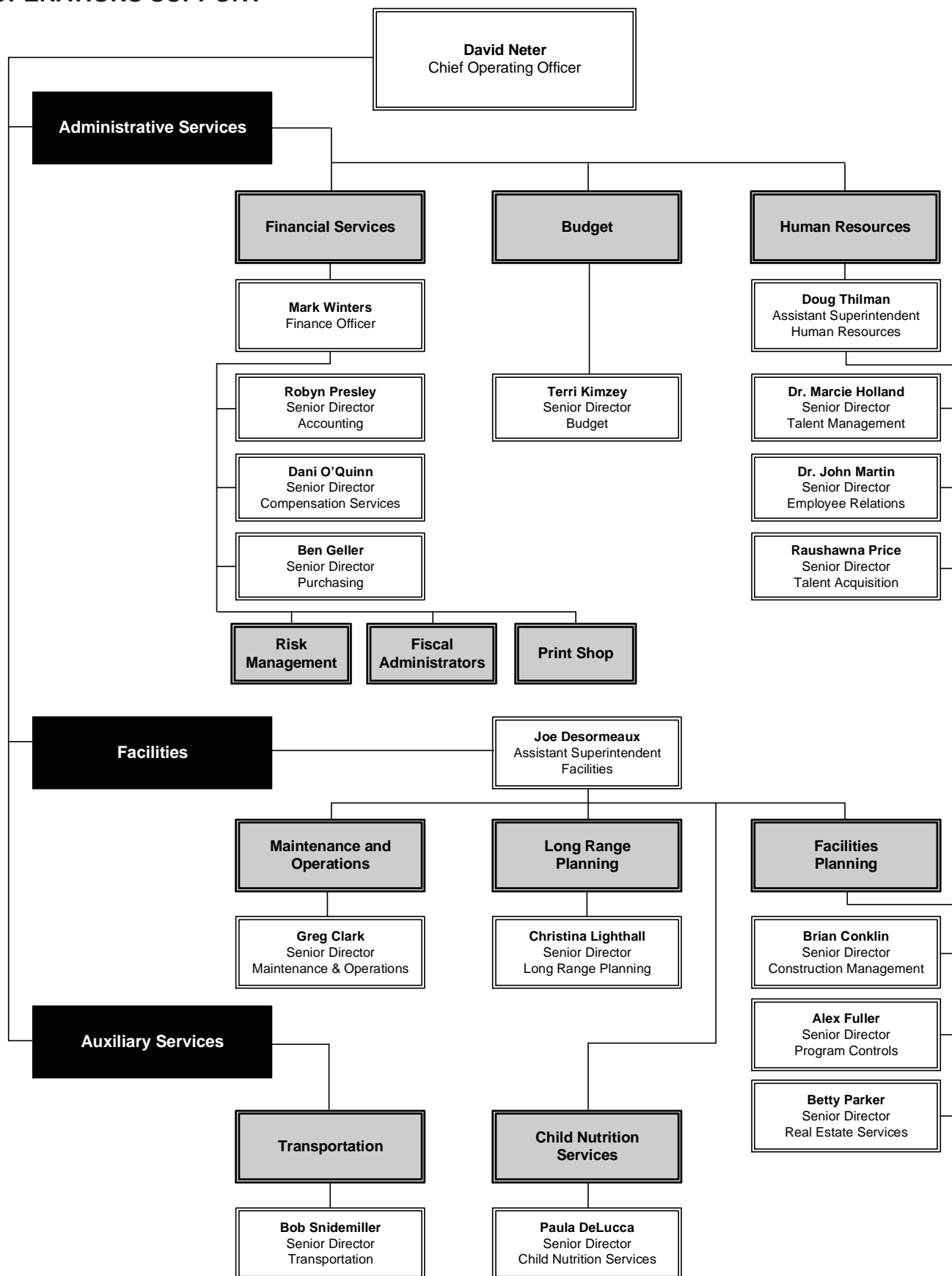


## TECHNOLOGY SERVICES



# Organization Charts

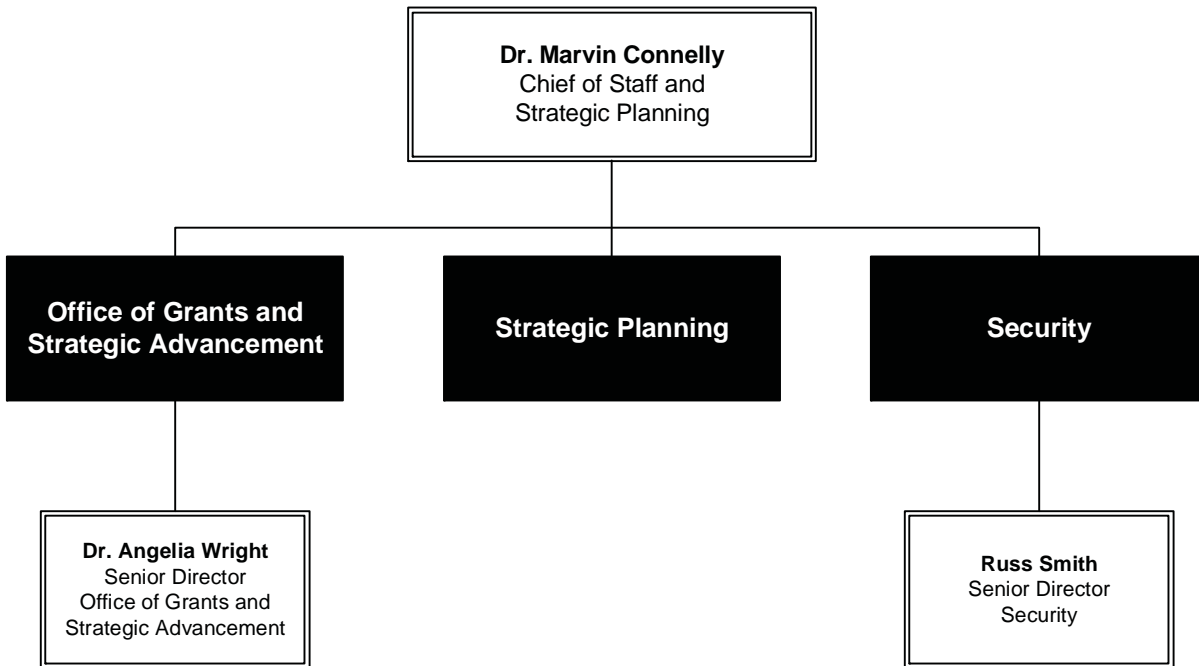
## OPERATIONS SUPPORT



# Organization Charts

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## CHIEF OF STAFF AND STRATEGIC PLANNING



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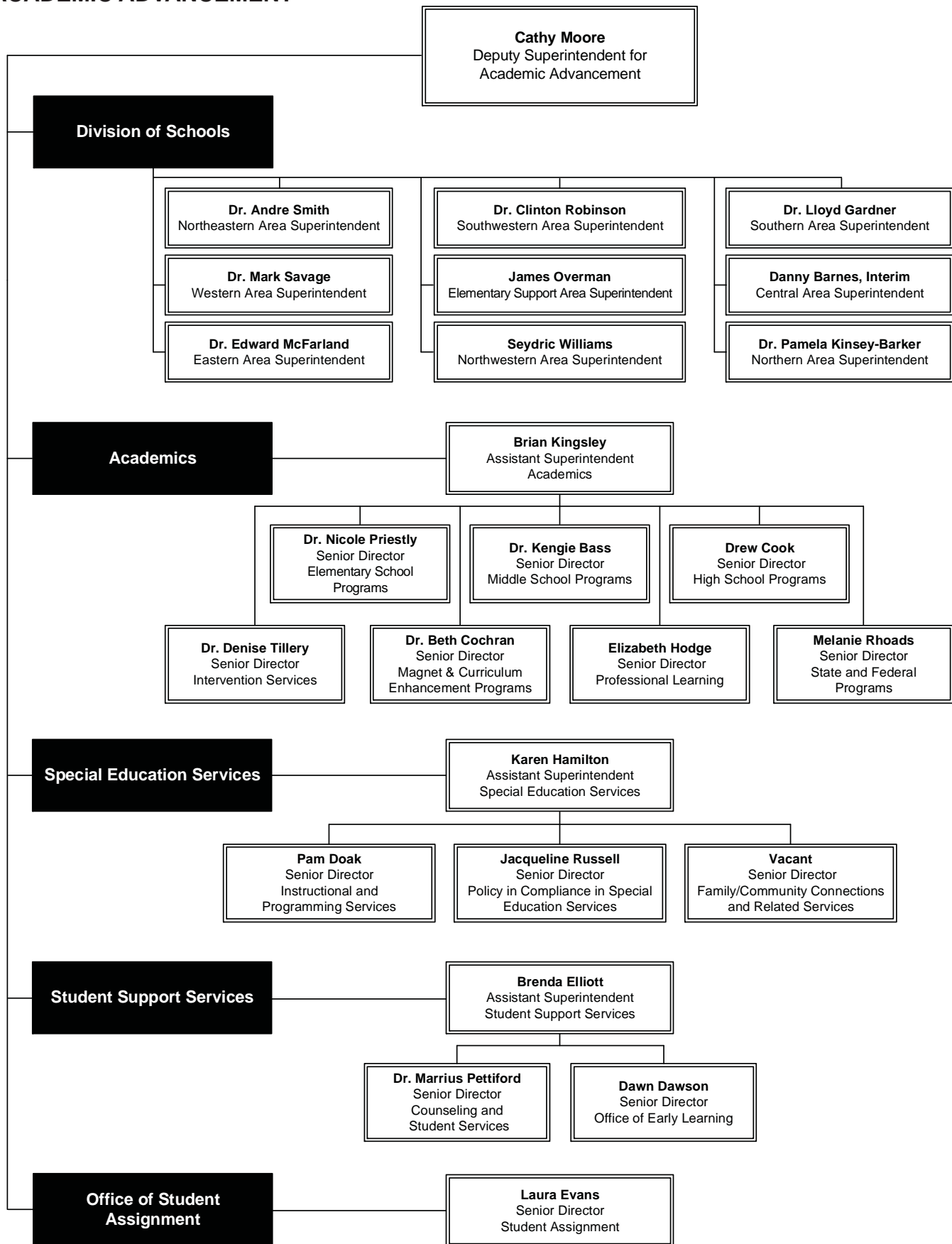
## COMMUNICATIONS





# Organization Charts

## ACADEMIC ADVANCEMENT



# Budget Policies

## REPORTING ENTITY

The state primarily finances the cost of public education in North Carolina which establishes minimum programs. Local boards of county commissioners appropriate local funds, in varying amounts by district, that supplement the basic program. Local boards of education in North Carolina have no tax levying or borrowing authority, and the state requires all districts to maintain accounting records in a uniform format. The Wake County Public School System prepared the budget on the modified accrual basis of accounting prescribed by legal requirements.



The board of education is a local education agency empowered by the North Carolina general statutes with the responsibility to oversee and control all activities related to public school education in Wake County, North Carolina. Since its members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters, the board is recognized as a separate government reporting entity, as defined by the Governmental Accounting Standards Board. The board receives funding from county, state, and federal government sources and must comply with the concomitant requirements of those funding entities. While the board receives county funding, the county is not entitled to share in any surpluses, nor is it required to finance any deficits.

### We need good Business Practices, but we are not a Business...

- *Mandate to serve all customers*
- *Revenues are pre-determined*
- *Performance does not drive funding*
- *Must plan for growth without ability to fund*
- *Divergent stakeholders*

PUBLIC SCHOOL FINANCING	PRIVATE	PUBLIC
<b>FUND ACCOUNTING</b>	Private sector presents a single, unitary entity for financial reporting purposes. Private sector financial statements are taken as a whole.	Governmental financial reporting focuses on grouping of various funds rather than as a whole. Fund accounting is developed from legal compliance and resource limitation issues.
<b>SPENDING FOCUS</b>	Private sector focuses on earnings and changes in business' total net resources.	Governments focus on changes in current spendable resources rather than total resources. Government limitation has short-term focus typically on operating budget.
<b>BUDGETARY REPORTING</b>	Private sector budgets are simply a financial plan allowing for change and flexibility during the fiscal year.	Governmental budgets are a system of checks and balances with limited flexibility. Governments demonstrate compliance with legally adopted budgets through mandated budget-to-actual comparison statements.

# Budget Policies

## STATE OF NORTH CAROLINA POLICIES FOR SCHOOL SYSTEM BUDGETS

The following list of state statutes pertains to the school budget and fiscal control financial policies enacted by the State of North Carolina. This information can be found in detail at <http://www.ncga.state.nc.us/gascripts/statutes/statutelookup.pl?statute=115c>.

- **Budget Flexibility** § 115C-105.25
- **Distribution of Staff Development Funds** § 115C-105.30
- **School Budget and Fiscal Control Act** § 115C-422 through § 115C-452

### **ARTICLE 31 - THE SCHOOL BUDGET AND FISCAL CONTROL ACT**

§115C-422.	Short title.
§115C-423.	Definitions.
§115C-424.	Uniform system; conflicting laws and local acts superseded.
§115C-425.	Annual balanced budget resolution.
§115C-426.	Uniform budget format.
§115C-426.1.	Vending facilities.
§115C-426.2.	Joint planning.
§115C-427.	Preparation and submission of budget and budget message.
§115C-428.	Filing and publication of the budget; budget hearing.
§115C-429.	Approval of budget; submission to county commissioners; commissioners' action on budget.
§115C-430.	Apportionment of county appropriations among local school administrative units.
§115C-431.	Procedure for resolution of dispute between board of education and board of county commissioners.
§115C-432.	The budget resolution; adoption; limitations; tax levy; filing.
§115C-433.	Amendments to the budget resolution; budget transfers.
§115C-434.	Interim budget.
§115C-435.	School finance officer.
§115C-436.	Duties of school finance officer.
§115C-437.	Allocation of revenues to the local school administrative unit by the county.
§115C-438.	Provision for disbursement of State money.
§115C-439.	Facsimile signatures.
§115C-440.	Accounting system.
§115C-440.1.	Report on county spending on public capital outlay.
§115C-441.	Budgetary accounting for appropriations.
§115C-441.1.	Dependent care assistance program.
§115C-442.	Fidelity bonds.
§115C-443.	Investment of idle cash.
§115C-444.	Selection of depository; deposits to be secured.
§115C-445.	Daily deposits.
§115C-446.	Semiannual reports on status of deposits and investments.
§115C-447.	Annual independent audit.
§115C-448.	Special funds of individual schools.
§115C-449.	Proceeds of insurance claims.
§115C-450.	School food services.
§115C-451.	Reports to State Board of Education; failure to comply with School Budget Act.
§115C-452.	Fines and forfeitures.

# Budget Policies

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## WAKE COUNTY PUBLIC SCHOOLS BUDGET POLICIES

The Wake County Board of Education has adopted the following policies as a part of the official board policy as it relates to the budget process:

### **Annual Budget: Board Policy 8100**

The superintendent shall prepare an annual budget and submit it with a budget message to the board not later than April 15. The budget shall comply, in all respects, with the limitations imposed by law. The budget is a detailed annual operating plan expressed in terms of estimated revenues and expenses, stated in financial terms, for conducting programs and related services in the school system. The budget is a forecast of the projected cost of implementing the goals, objectives, and policies of the board, as well as any needed improvements in programs and support services planned by the board. The annual budget process and the resulting budget should serve as a means to improve communication within the school organization and between the school system and the citizens of the school community.

**A . Program Budgeting System:** The continuing central focus of the board is to improve the learning performance of individual students. Current levels of achievement will be assessed in comparison to goals and objectives to identify needs or problem areas requiring adjusted allocation of resources. Resources will be allocated to areas of greatest need. The performance of programs will be evaluated during the budget year to provide a base for subsequent budget development.

**B. Budget Preparation Procedures:** Budget planning shall be an integral part of program planning so that the budget may effectively express and implement all programs and activities of the school system. Budget planning shall be a year-round process involving broad participation by administrators, teachers, other personnel throughout the school system, and citizens.

**C. Budget Display:** On the same day that she/he submits the budget to the board, the superintendent shall file a copy of it in her or his office where it shall remain available for public inspection until the budget resolution is adopted.

**D. Budget Hearings:** The board shall hold at least one public hearing on the proposed budget prior to final action.

**E. Budget Submission to County Commissioners:** Upon receiving the budget from the superintendent and following the public hearing authorized by law, the board shall consider the budget, make such changes therein as it deems advisable, and submit the entire budget as approved by the board of education to the board of county commissioners not later than May 15, or such later date as may be fixed by the board of county commissioners.

**F. Commissioners' Budget Action:** The commissioners shall complete action on the school budget on or before July 1, or such later date as may be agreeable to the board of education. The commissioners shall determine the amount of county revenues to be appropriated in the county budget ordinance to the school system for the budget year. The board of county commissioners may, in its discretion, allocate part or all of its appropriation by purpose, function, or project as defined in the uniform budget format.

**G. Resolution of Budget Dispute:** Resolution of disputes between the board and the commissioners shall be accomplished in accordance with law.

**H. Adoption of Budget Resolution:** Adoption of the budget resolution shall be in accordance with the provisions of state law. After the board of county commissioners has made its appropriations to the school system, the board of education shall adopt a budget resolution making appropriations for the budget year in such sums as the board deems sufficient and proper. The budget resolution shall conform to the uniform budget format established by the state board of education.

**I. Budget Transfers and Amendments:** Budget transfers or amendments to the budget resolution, when deemed necessary by administration or the board, shall be carried out in accordance with the provisions of state law and provisions of the adopted budget resolution.

**J. Interim Budget:** In case the adoption of the budget resolution is delayed until after July 1, the board shall make interim appropriations for the purpose of paying salaries and the usual ordinary expenses of the school system for the interval between the beginning of the fiscal year and the adoption of the budget resolution. Interim appropriations so made and expended shall be charged to the proper appropriations on the budget resolution.

# Budget Policies

## BUDGET BASIS

In North Carolina, the School Budget and Fiscal Control Act mandates a uniform budget format and the adoption of an annual balanced budget resolution by July 1 of each year.

### WHAT IS A BALANCED BUDGET?

#### § 115C-425. Annual balanced budget resolution.

(a) Each local school administrative unit shall operate under an annual balanced budget resolution adopted and administered in accordance with this Article. A budget resolution is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations. Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget year. The budget resolution shall cover one fiscal year.

(b) It is the intent of this Article that all moneys received and expended by a local school administrative unit should be included in the school budget resolution. Therefore, notwithstanding any other provisions of law, after July 1, 1976, no local school administrative unit may expend any moneys, regardless of their source (including moneys derived from federal, State, or private sources), except in accordance with a budget resolution adopted pursuant to this Article.

(c) Subsection (b) of this section does not apply to funds of individual schools, as defined in G.S. 115C-448. (1975, c. 437, s. 1; 1981, c. 423, s. 1; 1993, c. 179, s. 1.)

Source: <http://www.ncleg.net/gascripts/statutes/statutelookup.pl?statute=115c-425>

The district adopts a budget on a basis consistent with Generally Accepted Accounting Principles (GAAP), except for revenues and expenditures of the debt service fund and enterprise fund. The district budgets the enterprise fund on the modified accrual basis. Legal provisions conflict with GAAP in that there is no authorization for the board of education to maintain a debt service fund, even though the statutes allow continuing contracts for capital outlay purchases.

The following chart illustrates how the school system records and spends funds from different sources:

Funding Source	How are funds recorded?	How are funds spent?
<b>State</b>	As allotments are issued or revised by the NC Department of Public Instruction. Initial allotments at the beginning of the fiscal year and revisions throughout the school year.	Cash basis - No outstanding purchase orders can remain open at year end. Unexpended funds revert back to the state with few exceptions.
<b>Local</b> (county appropriation)	In accordance with the amount approved in the Wake County budget.	Modified accrual basis - Limited number of purchase orders may remain open at year end. Local revenues, less expenditures, roll to fund balance annually.
<b>Other Local</b> (fines and forfeitures, interest earned, indirect cost, and fees)	According to projections.	
<b>Grants and Donations</b>	In accordance with grant award notifications. The term may span multiple fiscal years.	Unexpended allocations lapse on the program termination date.
<b>Building Program</b>	When resolutions are approved through the board of education and county commissioners.	Accrual basis - Purchase orders are allowed to cross fiscal years. The balance rolls forward for each project.
<b>Enterprise</b>	Based on projections of actual participation.	Purchase orders are liquidated at year end. The balance of revenues over expenditures will carryforward to the next fiscal year or roll to retained earnings.

# Fiscal Accountability

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## FINANCIAL REPORTING RECOGNITION

The Wake County Public School System (WCPSS) has an annual external financial audit. We received an unmodified audit opinion for fiscal year ending June 30, 2015. An unmodified audit indicates that in the auditor's opinion, the financial statements present fairly, in all material respects, our financial position in conformity with accounting principles generally accepted in the United States of America.

The school district's external auditors conducted their audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

*For the past 26 years, we have received the Certificate of Excellence in Financial Reporting from both the Association of School Business Officials and the Government Finance Officers Association.*

## FISCAL ACCOUNTABILITY

WCPSS has undertaken comprehensive efforts in continuing to expand fiscal accountability. The chief operating officer has an MBA and more than 20 years of for-profit business experience. The chief operating officer, working in conjunction with the finance officer, senior budget director, and others, has focused on implementation of fraud detection and prevention systems, budget management training for staff, negotiations of sole source contracts, enhancements to fiscal transparency, and improvements in financial reporting.

Fraud experts cite setting of the proper tone at the top as one of the most effective methods of fraud prevention. The superintendent, chief operating officer, and other members of senior management promote a strong clear tone of integrity, ethical values, and adherence to system policy and practice throughout the fiscal year. The district has deployed an ACL software system recommended by the Summerford Accountancy Fraud Vulnerability Audit. Internal Audit and Finance staff use the system in both a proactive and investigatory manner. The superintendent, chief operating officer, and finance officer review Internal Audit reports on a monthly basis to confirm findings are not extraordinary.

Finance staff also utilize the reports as input into internal training needs. The Internal Audit Department uses a risk-based internal audit plan to ensure it deploys resources in a strategic manner.

WCPSS has a fraud hotline for anonymous reports of suspected fraud, theft, or abuse of taxpayer funds. That number is **1-866-674-4872**.

Annually, the superintendent sends out a letter to all employees emphasizing their responsibility in fiscal accountability. All budget managers participate in financial reviews with Finance and Budget staff to focus on utilization of existing funding. Purchasing assigns consecutive purchase order numbers, and they monitor reports on all vendors and invoices to identify any discrepancies. The Accounting Department uses positive pay which prevents fraudulent checks from clearing against the district's bank accounts and provides protection against altered or counterfeit checks.

Fiscal accountability extends beyond the scope of ensuring adherence to policies and practices. Effective use of available budgets is critical. The district challenges staff to fully negotiate sole source contracts through the contract routing process.

Budget managers submit written business cases providing documentation and justification for requests to increase or decrease funding.

The emphasis on fiscal accountability by WCPSS serves to further strengthen our system, and it is an ongoing process that must be continued with a strategic approach and a clear strong tone of integrity from the top.

# Fiscal Accountability

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## **BUDGET MANAGER CERTIFICATION TRAINING**

Budget manager certification training is a requirement to become a budget manager. The online training includes modules from the following areas:

- Accounting – reporting, fixed assets, grants, and fraud awareness;
- Budget – process, allotments, and conversions;
- Compensation Services – FLSA, time sheets, and benefits;
- Finance – contracts and conflicts of interest;
- Purchasing – procurement cards, warehouse, and purchasing law; and
- Risk Management – liability and workers' compensation.

Candidates for budget manager status must pass a test at the end of the training as a measure to ensure they are prepared to legally manage school system funds. Existing budget managers recertify periodically with a refresher course.

## **AUDIT COMMITTEE**

The district established an independent Audit Committee as part of a continuing effort to expand fiscal accountability and increase transparency within the Wake County Public School System. The duties and responsibilities of the Audit Committee are to make recommendations to the board of education on the hiring of the external audit firm; review the audit, financial reports, and audit findings; review the recommendations and the management responses in the audit report, as well as review the status of any management corrective actions; provide a communications link between the external auditor, the board of education, and the superintendent; and submit periodic reports through the committee chair, to the board, and the superintendent.

The committee membership includes certified public accountants, attorneys, and others from the business community. As independent professionals with pertinent experience, the independent Audit Committee serves as an additional internal control in its oversight and review of the external financial audit. The committee also serves to increase the public trust of the board.

# Budget Administration & Management Process

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Budget administration and management is the process of monitoring expenditures during the fiscal year to ensure they are within authorized amounts and are used for intended, proper, and legal purposes. The management of the budget is accomplished in a variety of ways:

- Reconciling budget transactions on an ongoing basis;
- Reviewing expenditure patterns;
- Tracking revenue receipts;
- Monitoring projected financial status at year end;
- Reconciling exception reports; and
- Reporting to the Wake County Board of Education and the public on fiscal operations.

During the preparation of the budget, the document itself serves as the vehicle for planning and resource allocation decisions. After the board adopts the budget, it then becomes the major fiscal management tool for administering and controlling expenditures.

## **CHART OF ACCOUNTS**

NC General Statutes require a uniform accounting system for all school systems in North Carolina. The North Carolina Department of Public Instruction (NCDPI) maintains the State Chart of Accounts for all school systems to follow in order to provide the legislature, general public, and other agencies with a consistent guideline of how funds are used by groups obtaining public funds. The State Chart of Accounts can be found on NCDPI's website at <http://www.dpi.state.nc.us/fbs/finance/reporting/coa2016>.

Budget codes are used to provide details for each expenditure and source of revenue. There are seven components to a budget code each answering a different question about a transaction. The state chart defines the first four components of the budget code (Fund, Purpose, Program, and Object), and the Wake County Public School System (WCPSS) defines the last three components (Level, Cost Center, and Future Use).

## **EXPENDITURE APPROVALS**

There is one cost center for every school and for each Leadership Team member. Budget managers are responsible for the management of fiscal resources approved by the board for each of the cost centers. In areas of central monitoring of positions, the chief operating officer is the budget manager. Thus, a budget manager is accountable for the proper expenditure of funds for every expenditure appropriation in the budget.

Each budget manager approves the expenditure of funds within their respective cost centers in accordance with purchasing procedures and legal requirements. Primary budget managers must sign budget transfer requests and budget amendments.

All principals and Leadership Team members are primary budget managers. Principals may establish assistant principals as secondary budget managers. Leadership Team members may establish senior directors and directors as primary budget managers. Leadership Team members may establish central services senior administrators or administrators as secondary budget managers.

All budget managers are responsible for assuring and maintaining the accuracy of account coding, spending funds appropriately, and adhering to timelines for recording and expending funds. Budget managers must complete online Budget Manager Certification Training before signature authority is established. They may also take classes that provide instructions for entering data directly into the computer system, as well as how to navigate the financial system to inquire on accounts.

Central services staff coordinate the overall spending and revenue plans to maintain total expenditures within available revenues. District-level coordination is also exercised over position control of months of employment in areas such as classroom teachers, instructional support, and non-instructional support.



# Budget Administration & Management Process

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## **ENCUMBRANCE CONTROL**

Encumbrances reserve an appropriation for obligations in the form of purchase orders. The financial system, therefore, recognizes actual expenditures as well as those that are planned or anticipated. This prevents inadvertent overspending of the budget.

Outstanding encumbrances at the end of the year do not constitute expenditures and are either charged to an appropriation in the following year or the contractual commitment is canceled. The encumbrances are reported as reservations of fund balance since the commitments will be fulfilled through subsequent years' budget appropriations.

## **AMENDMENTS**

Primary budget managers submit budget amendments when new funds need to be added to the budget or if funds need to be removed from the budget. The board of education must approve revenues not included in the adopted budget in accordance with criteria in the budget resolution. Amendments must be reported to the board of education monthly.

## **TRANSFERS**

The budget is a spending plan based upon a series of assumptions. Rarely will all of the actual expenditures equal the detailed budget estimates as adopted. Budget transfers to realign financial resources will occur as circumstances or variables change during the year. Certain transfers, such as transfers between funds, require approval from the board of education. All transfers are reported to the board of education monthly.

## **FUNDS CHECKING**

The Oracle Financial System monitors available funds at the account level. Available balances must exist in non-personnel accounts at the account code level before spending can occur.

## **MANAGEMENT INFORMATION AND REPORTING**

The Wake County Public School System uses the Oracle Financial System to manage human and financial resources. Oracle has an interactive, on-line budgetary control system that provides real-time data on individual accounts. The system includes a general ledger, payroll, and voucher system that provides detailed historical transactions. Budget managers can submit summary and detail reports for their area of responsibility at any time.

The district prepares a Comprehensive Annual Financial Report (CAFR) to report the results of operations. The CAFR includes such reports as a combined balance sheet for all fund types and a combined statement of revenues, expenditures, and changes in fund balances for all governmental funds.

## **FINANCIAL REVIEWS**

The chief operating officer, finance officer, and senior director of budget meet with the deputy superintendent and each chief to review human resource and financial data two or three times a year. Examples of agenda items:

- Review positions and vacancies.
- Review unspent funds for the prior fiscal year and related changes for the current fiscal year.
- Discuss any planned re-purposing of funding within each area for the current fiscal year.
- Discuss actions taken to manage funding changes since the Adopted Budget.
- Discuss processes that are in place for leadership within each division to review budget, encumbrance, and/or expenditure information on a regular basis between reviews.
- Review all budgets within each area.
- Review business cases submitted for the upcoming fiscal year.
- Discuss internal controls and risks.
- Receive input on financial and staffing issues.
- Discuss current state of the economy.

# Fund Balance

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**Fund Balance** is excess revenues over expenditures. This can be a combination of collections/revenues being higher than budget and actual expenditures being lower than budget. Fund Balance in the governmental fund financial statements is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent. The governmental fund types classify fund balance as follows:

**Nonspendable fund balance** – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

- » Inventories – portion of fund balance that is not an available resource because it represents the year-end balance of ending inventories, which are not spendable resources.
- » Assets held for resale – portion of fund balance that is not an available resource because it represents the year-end balance of assets held for resale, which are not spendable resources.

**Restricted fund balance** – This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

- » Restricted for stabilization by state statute – portion of fund balance that is restricted by State Statute [G.S. 115C-425(a)].
- » Restricted for school capital outlay – portion of fund balance that can only be used for school capital outlay [G.S. 159-18 through 22].
- » Restricted for individual schools – revenue sources restricted for expenditures for the various clubs and organizations, athletic events, and various fund-raising activities for which they were collected.
- » Restricted contributions – revenue sources that are restricted by the contributor for specific purposes.

**Committed fund balance** – portion of fund balance that can only be used for specific purpose imposed by majority vote by quorum of board of education's governing body (highest level of decision-making authority) and in certain instances approval by the county's governing body is required. Any changes or removal of specific purpose requires majority action by the governing bodies that approved the original action.

**Assigned fund balance** – portion of fund balance that the Wake County Board of Education intends to use for specific purposes.

- » Subsequent year's expenditures - portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing body approves the appropriation.
- » Insurance – portion of fund balance that is assigned for claims in the self-insured workers' compensation and dental plans and for excess claims. Balances are assigned by management and approved by the board.
- » Special projects – portion of fund balance that is assigned for special projects that continue into the next fiscal year. Balances are assigned by management and approved by the board.
- » Flexible benefits – portion of fund balance that is assigned from prior year's forfeitures in order to offset potential losses in future years. Balances are assigned by management and approved by the board.

**Unassigned fund balance** – the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

Board of Education Policy 8101 provides guidelines for the amount of Undesignated Operating Fund Balance that can be accumulated and also guides the amount that can be used towards funding a future year's budget.

According to Policy 8101, the board targets maintenance of an undesignated operating fund balance no greater than 6 percent of the subsequent year's county appropriation. The board would return to Wake County any undesignated fund balance in excess of the specified 6 percent target.

Unassigned fund balance, on an annual basis, at June 30, 2016, was \$13,880,710, which aligns with board policy.

# Fund Balance

## 8101 Undesignated Operating Fund Balance

As the recipient of Wake County funds allocated for use in local public education, the Wake County Board of Education has the responsibility to use these funds efficiently and wisely. The board of education maintains an Undesignated Operating Fund Balance to address emergency funding needs and other generally one-time costs not included in the annual budget. In addition, the board of education may use Undesignated Operating Fund Balance as a funding source for the annual budget. Any use of the Undesignated Operating Fund Balance requires action by the board in a public meeting. Management of the Undesignated Operating Fund Balance is one component of effectively managing Wake County appropriated funds.

As a good business practice, the board of education sets the following limits on the Undesignated Operating Fund Balance:

- The board targets maintenance of an Undesignated Operating Fund Balance no greater than 6 percent of the subsequent year's county appropriation.
- The board will return to Wake County any Undesignated Operating Fund Balance in excess of the specified 6 percent target on an annual basis.
- The board will not use more than 50 percent of its July 1 Undesignated Operating Fund Balance to provide funding to the following year's annual budget.

	2014-15	2015-16	2016-17
<b>CURRENT EXPENSE</b>			
Appropriated July 1	\$ 26,075,734	\$ 20,000,000	\$ 10,400,000
Additional Appropriations	\$ 21,970,970	14,069,158	3,372,508
<b>Current Expense Appropriated Fund Balance</b>	<b>\$ 48,046,704</b>	<b>\$ 34,069,158</b>	<b>\$ 13,772,508</b>
<i>Unassigned Current Expense Fund Balance</i>	\$ 14,894,753	\$ 13,880,710	
<b>CAPITAL OUTLAY</b>			
Appropriated July 1	\$ 0	\$ 0	\$ 0
Additional Appropriations	\$ 2,353,843	784,420	773,837
<b>Capital Outlay Appropriated Fund Balance</b>	<b>\$ 2,353,843</b>	<b>\$ 784,420</b>	<b>\$ 773,837</b>
<i>Assigned for Capital Expenditures Fund Balance</i>	\$ 397,078	\$ 741,489	
<b>TOTAL</b>			
Appropriated July 1	\$ 26,075,734	\$ 20,000,000	\$ 10,400,000
Additional Appropriations	\$ 24,324,813	14,853,578	4,146,345
<b>TOTAL APPROPRIATED</b>	<b>\$ 50,400,547</b>	<b>\$ 34,853,578</b>	<b>\$ 14,546,345</b>
<i>Unassigned and Assigned for Capital Expenditures Fund Balance</i>	\$ 15,291,831	\$ 14,622,199	
<b>TOTAL</b>			
County Appropriation	\$ 341,426,400	\$ 386,000,000	\$ 409,911,000
Percent Increase	4%	13%	6%
<i>Unassigned and Assigned for Capital Expenditures Fund Balance as a percent of subsequent year County Appropriation</i>	4%	4%	

# Financial



FINANCIAL

# Budget Resolution

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WAKE COUNTY     )  
NORTH CAROLINA )

I, James G. Merrill, Secretary to the Wake County Board of Education, DO HEREBY CERTIFY that the attached is a true and correct copy from the minutes of the meeting of the Board as of October 18, 2016.

IN WITNESS WHEREOF, I have hereunto set my hand and have hereunto affixed the seal of the Wake County Board of Education this 18th day of October, 2016.



Secretary, Board of Education

## WAKE COUNTY PUBLIC SCHOOL SYSTEM

### BUDGET RESOLUTION

BE IT RESOLVED by the Board of Education of the Wake County School Administrative Unit:

**Section 1** - The following amounts are hereby appropriated for the operation of the school administrative unit in the State Public School Fund for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

Instructional Services	
Regular Instructional Services	\$ 486,154,131
Special Populations Services	152,412,263
Alternative Programs and Services	34,285,704
School Leadership Services	61,232,868
School-Based Support Services	58,899,128
System-wide Support Services	
Support and Development Services	1,472,219
Special Population Support and Development Services	694,155
Alternative Programs and Services Support and Development Services	401,794
Technology Support Services	6,557,901
Operational Support Services	60,733,034

# Budget Resolution

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Financial and Human Resource Services	4,265,804
Accountability Services	211,050
System-wide Pupil Support Services	830,267
Policy, Leadership and Public Relations Services	2,183,223
Ancillary Services	
Nutrition Services	<u>65,728</u>

Total State Public School Fund Appropriation \$ 870,399,269

**Section 2** - The following revenues are estimated to be available to the State Public School Fund for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

State Allocations \$ 870,399,269

Total State Public School Fund Revenue \$ 870,399,269

**Section 3** - The following amounts are hereby appropriated for the operation of the school administrative unit in the Local Current Expense Fund for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

Instructional Services	
Regular Instructional Services	\$ 157,053,830
Special Populations Services	30,941,962
Alternative Programs and Services	15,729,711
School Leadership Services	18,210,177
Co-Curricular Services	13,177,445
School-Based Support Services	15,745,468
System-wide Support Services	
Support and Development Services	9,727,707
Special Population Support and Development Services	4,067,132
Alternative Programs and Services Support and Development Services	1,670,859
Technology Support Services	13,608,829
Operational Support Services	88,341,874
Financial and Human Resource Services	15,188,949
Accountability Services	2,842,159
System-wide Pupil Support Services	4,958,767
Policy, Leadership and Public Relations Services	8,006,209
Ancillary Services	
Community Services	19
Nutrition Services	501
Non-Programmed Charges	
Payments to Other Governmental Units	25,416,563
Unbudgeted Funds	<u>3,500,804</u>

Total Local Current Expense Fund Appropriation \$ 428,188,965

# Budget Resolution

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**Section 4** - The following revenues are estimated to be available to the Local Current Expense Fund for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

State Allocations	\$	20,000
Federal Allocations		450,000
County Appropriation		407,871,457
Local Revenues		6,075,000
Fund Balance Appropriated		<u>13,772,508</u>

Total Local Current Expense Fund Revenue \$ 428,188,965

**Section 5** - The following amounts are hereby appropriated for the operation of the school administrative unit in the Federal Grant Fund for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

Instructional Services		
Regular Instructional Services	\$	1,496,928
Special Populations Services		28,945,076
Alternative Programs and Services		30,638,033
School-Based Support Services		1,046,511
System-wide Support Services		
Support and Development Services		1,732,370
Special Population Support and Development Services		699,637
Alternative Programs and Services Support and Development Services		957,612
Operational Support Services		78,087
Financial and Human Resource Services		853,790
Non-Programmed Charges		
Payments to Other Governmental Units		1,352,937
Unbudgeted Funds		<u>8,159,083</u>

Total Federal Grant Fund Appropriation \$ 75,960,064

**Section 6** - The following revenues are estimated to be available to the Federal Grant Fund for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

Federal Allocations \$ 75,960,064

Total Federal Grant Fund Revenue \$ 75,960,064

**Section 7** - The following amounts are hereby appropriated for the operation of the school administrative unit in the Capital Outlay Fund for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

Instructional Services		
Regular Instructional Services	\$	1,426,160
School-Based Support Services		8,355,598

# Budget Resolution

System-wide Support Services	
Technology Support Services	33,309,825
Operational Support Services	463,864,605
Ancillary Services	
Nutrition Services	384,337
Capital Outlay	<u>48,087,910</u>

Total Capital Outlay Fund Appropriation \$ 555,428,435

**Section 8** - The following revenues are estimated to be available to the Capital Outlay Fund for the fiscal year beginning July 1, 2016 and ending June 30, 2017:

County Appropriation	\$ 1,150,969
Local Revenues	305,000
Bond and Note Proceeds	553,198,629
Fund Balance Appropriated	<u>773,837</u>

Total Capital Outlay Fund Revenue \$ 555,428,435

**Section 9** - The following amounts are hereby appropriated for the operation of the school administrative unit in the Multiple Enterprise Fund for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

Instructional Services	
Regular Instructional Services	\$ 32,899
Alternative Programs and Services	789,878
School Leadership Services	15,501
School-Based Support Services	2,193
System-wide Support Services	
Operational Support Services	406,074
Policy, Leadership and Public Relations Services	136,095
Ancillary Services	
Community Services	17,847,507
Nutrition Services	50,694,251
Adult Services	415,529
Non-Programmed Charges	
Payments to Other Governmental Units	4,497,257
Unbudgeted Funds	<u>1,933,429</u>

Total Multiple Enterprise Fund Appropriation \$ 76,770,613

**Section 10** - The following revenues are estimated to be available to the Multiple Enterprise Fund for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

State Allocations	\$ 120,000
Federal Allocations	35,375,631
Local Revenues	<u>41,274,982</u>

Total Multiple Enterprise Fund Revenue \$ 76,770,613



# Budget Resolution

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**Section 11** - The following amounts are hereby appropriated for the operation of the school administrative unit in the Direct Grant Fund for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

Instructional Services	
Regular Instructional Services	\$ 1,818,521
Special Populations Services	33,890
Alternative Programs and Services	1,284,141
School Leadership Services	14,777
Co-Curricular Services	55,055
School-Based Support Services	775,991
System-wide Support Services	
Support and Development Services	555,777
Special Population Support and Development Services	46,003
Alternative Programs and Services Support and Development Services	383,809
Operational Support Services	36,198
Financial and Human Resource Services	93,030
Accountability Services	26,000
System-wide Pupil Support Services	2,673
Policy, Leadership and Public Relations Services	35,000
Ancillary Services	
Community Services	3,599
Non-Programmed Charges	
Payments to Other Governmental Units	82,765
Unbudgeted Funds	<u>283,985</u>
Total Direct Grant Fund Appropriation	<u>\$ 5,531,214</u>

**Section 12** - The following revenues are estimated to be available to the Direct Grant Fund for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

Federal Allocations	\$ 3,144,743
Local Revenues	<u>2,386,471</u>
Total Direct Grant Fund Revenue	<u>\$ 5,531,214</u>

**Section 13** - The following amounts are hereby appropriated for the operation of the school administrative unit in the Other Specific Revenue Fund for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

Instructional Services	
Regular Instructional Services	\$ 326,696
Special Populations Services	5,656,596
Alternative Programs and Services	189,680
School Leadership Services	16,075
School-Based Support Services	308,982

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# Budget Resolution

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System-wide Support Services	
Support and Development Services	567,500
Special Population Support and Development Services	206,726
Technology Support Services	89,699
Operational Support Services	7,428,393
System-wide Pupil Support Services	103,182
Ancillary Services	
Community Services	31,310
Non-Programmed Charges	
Unbudgeted Funds	<u>979,343</u>

Total Other Specific Revenue Fund Appropriation \$ 15,904,182

**Section 14** - The following revenues are estimated to be available to the Other Specific Revenue Fund for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

Federal Allocations	\$ 7,959,078
County Appropriation	888,574
Local Revenues	<u>7,056,530</u>

Total Other Specific Revenue Fund Revenue \$ 15,904,182

**Section 15** - All appropriations shall be paid first from revenues restricted as to use and then from general unrestricted revenues.

**Section 16** - The superintendent is hereby authorized to:

A. Transfer appropriations under the following conditions:

1. The superintendent may not transfer any amounts between funds, or from any contingency appropriation within a fund, without board of education approval.
2. The superintendent may transfer amounts between purposes and between functions within a purpose. A summary of all such transfers must be reported to the board of education monthly.
3. The superintendent may transfer any amounts in State or Federal projects upon prior approval of the appropriate funding agency. If such transfers require board of education approval under other provisions of this resolution, they must be reported monthly.

B. Accept appropriations into the budget under the following conditions:

1. The superintendent may accept all State appropriations. A summary of such appropriations must be reported to the board of education monthly.

# Budget Resolution

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2. The superintendent may accept Federal appropriations if the application for funding has been approved by the board of education. A summary of such appropriations must be reported to the board of education monthly.
3. The superintendent may accept categorical program appropriations if the program has been approved by the board of education. A summary of such appropriations must be reported to the board of education monthly.
4. The superintendent may accept other appropriations upon prior approval of the board of education.

**Section 17** - Copies of the Budget Resolution shall be furnished immediately to the superintendent and the school finance officer for direction in carrying out their duties. Copies of the Budget Resolution shall also be filed with the county finance officer.

Adopted this 18th day of October, 2016.

# Revenues

Source of Income	Budget 2015-16	Adopted Budget 2016-17	Increase/ Decrease	% Change
<b>STATE SOURCES</b>				
<b>State Public School Fund</b>				
<b>Position Allotments</b>				
Classroom Teachers	\$ 427,042,930	\$ 453,735,860	\$ 26,692,930	
Instructional Support Personnel - Certified	48,351,509	50,222,540	1,871,031	
Career Technical Education - Months of Employment	38,972,106	42,689,415	3,717,309	
School Building Administration	25,940,517	27,396,268	1,455,751	
<b>Subtotal Position Allotments</b>	<b>\$ 540,307,062</b>	<b>\$ 574,044,083</b>	<b>\$ 33,737,021</b>	<b>6%</b>
<b>Dollar Allotments</b>				
Non-Instructional Support Personnel	\$ 46,487,808	\$ 51,519,342	\$ 5,031,534	
Teaching Assistants	38,145,376	38,556,312	410,936	
Central Office Administration	3,199,926	3,161,360	(38,566)	
<b>Subtotal Dollar Allotments</b>	<b>\$ 87,833,110</b>	<b>\$ 93,237,014</b>	<b>\$ 5,403,904</b>	<b>6%</b>
<b>Categorical Allotments</b>				
Children with Special Needs	\$ 82,332,819	\$ 85,984,797	\$ 3,651,978	
Transportation of Pupils	51,545,961	40,359,280	(11,186,681)	
School Technology Fund	4,136,794	6,129,943	1,993,149	
At-Risk Student Services/Alternative Programs and Schools	23,899,934	6,096,725	(17,803,209)	
Driver Training	2,710,436	3,041,684	331,248	
Summer Reading Camps	3,825,300	2,789,588	(1,035,712)	
Career Technical Education Program Support	3,577,878	2,786,187	(791,691)	
Children with Special Needs - Developmental Day and Community Residential	2,108,877	1,898,310	(210,567)	
Merit Bonus	-	1,736,050	1,736,050	
Learn and Earn	1,181,935	1,266,584	84,649	
Assistant Principal Intern Full-Time MSA Student	420,800	811,604	390,804	
School Connectivity	578,280	595,680	17,400	
Behavioral Support	215,640	223,022	7,382	
After-School Quality Improvement Grant Program	671,408	178,395	(493,013)	
Assistant Principal Intern	134,656	170,860	36,204	
Disadvantaged Student Supplemental Funding	3,525,406	-	(3,525,406)	
mClass Reading 3D	26,800	-	(26,800)	
<b>Subtotal Categorical Allotments</b>	<b>\$ 180,892,924</b>	<b>\$ 154,068,709</b>	<b>\$ (26,824,215)</b>	<b>(15%)</b>
<b>Unallotted (NCDPI covers actual cost or created from transfers)</b>				
Dollars for Certified Personnel Conversions	\$ 19,562,911	\$ 38,181,360	\$ 18,618,449	
Non-Contributory Employee Benefits	9,820,568	10,297,471	476,903	

# Revenues

Source of Income	Budget 2015-16	Adopted Budget 2016-17	Increase/ Decrease	% Change
Compensation Bonus (Legislated)	\$ 11,591,877	\$ 570,311	\$ (11,021,566)	
NBPTS Educational Leave	6,336	320	(6,016)	
<b>Subtotal Unallotted</b>	<b>\$ 40,981,692</b>	<b>\$ 49,049,462</b>	<b>\$ 8,067,770</b>	<b>20%</b>
<b>Subtotal State Public School Fund</b>	<b>\$ 850,014,788</b>	<b>\$ 870,399,268</b>	<b>\$ 20,384,480</b>	<b>2%</b>
<b>Other State Allocations for Current Operations</b>				
Professional Leave Paid by Outside Agencies	\$ 11,707	\$ 20,000	\$ 8,293	
State Textbook Account	96,634	1	(96,633)	
<b>Subtotal Other State Allocations for Current Operations</b>	<b>\$ 108,341</b>	<b>\$ 20,001</b>	<b>\$ (88,340)</b>	<b>(82%)</b>
<b>State Allocations Restricted to Capital Outlays</b>				
LEA Financed Purchase of School Buses	\$ 2,368,488	\$ -	\$ (2,368,488)	
<b>Subtotal State Allocations Restricted to Capital Outlays</b>	<b>\$ 2,368,488</b>	<b>\$ -</b>	<b>\$ (2,368,488)</b>	<b>(100%)</b>
<b>State Reimbursement - Reduced Priced Breakfast</b>				
Child Nutrition - Breakfast Reimbursement	\$ 100,000	\$ 120,000	\$ 20,000	
<b>Subtotal State Reimbursement - Reduced Priced Breakfast</b>	<b>\$ 100,000</b>	<b>\$ 120,000</b>	<b>\$ 20,000</b>	<b>20%</b>
<b>TOTAL - STATE SOURCES</b>	<b>\$ 852,591,617</b>	<b>\$ 870,539,269</b>	<b>\$ 17,947,652</b>	<b>2%</b>
<b>LOCAL SOURCES</b>				
<b>Local Sources General</b>				
County Appropriation - Operating Budget	\$ 383,970,976	\$ 407,871,457	\$ 23,900,481	
County Appropriation - Capital Improvements	1,150,969	1,150,969	-	
County Funds for Crossroads Lease	878,055	888,574	10,519	
<b>Subtotal Local Sources General</b>	<b>\$ 386,000,000</b>	<b>\$ 409,911,000</b>	<b>\$ 23,911,000</b>	<b>6%</b>
<b>Local Sources - Tuition and Fees</b>				
Before and After School Care	\$ 11,861,825	\$ 12,706,182	\$ 844,357	
Community Schools	8,611,932	9,664,059	1,052,127	
Parking Fees	1,125,000	1,125,000	-	
Pre-School	412,007	484,639	72,632	
Summer Camp	617,494	223,502	(393,992)	
Project Enlightenment - Self-Support	174,215	212,765	38,550	
Summer School Tuition	205,200	131,035	(74,165)	
Print Shop	30,000	30,000	-	
Regular Tuition	5,000	5,000	-	
<b>Subtotal Local Sources - Tuition and Fees</b>	<b>\$ 23,042,673</b>	<b>\$ 24,582,182</b>	<b>\$ 1,539,509</b>	<b>7%</b>

# Revenues

Source of Income	Budget 2015-16	Adopted Budget 2016-17	Increase/ Decrease	% Change
<b>Local Sources Sales Revenues - Child Nutrition</b>				
Lunch Full Pay	\$ 9,870,682	\$ 8,845,000	\$ (1,025,682)	
Supplemental Sales	9,000,000	7,200,000	(1,800,000)	
Breakfast Full Pay	629,891	748,800	118,909	
Lunch Reduced	341,281	349,000	7,719	
Catered Supplements	256,000	300,000	44,000	
Catered Lunches	25,000	91,000	66,000	
Suppers and Banquets	50,000	53,000	3,000	
Sales - Other	-	19,500	19,500	
Catered Breakfast	-	1,500	1,500	
<b>Subtotal Local Sources Sales Revenues - Child Nutrition</b>	<b>\$ 20,172,854</b>	<b>\$ 17,607,800</b>	<b>\$ (2,565,054)</b>	<b>(13%)</b>
<b>Local Sources - Unrestricted</b>				
<b>Fines</b>				
Fines and Forfeitures	\$ 3,050,000	\$ 3,550,000	\$ 500,000	
Red Light Camera Fines	500,000	750,000	250,000	
<b>Rebates</b>				
E-Rate	2,318,165	1,345,828	(972,337)	
Rebates	150,000	150,000	-	
Interest Earned on Investments	570,140	565,000	(5,140)	
<b>Donations</b>				
Teacher of the Year	60,075	61,982	1,907	
State Farm Celebrate My Drive	71,256	36,674	(34,582)	
Donations - General Operations	68,482	34,582	(33,900)	
Principal of the Year	25,040	31,018	5,978	
4C Fund	25,000	22,617	(2,383)	
Helping Hands	14,506	10,184	(4,322)	
Garner Education Foundation	10,000	10,000	-	
Spotlight on Students	5,391	2,673	(2,718)	
Carolina Panthers Hometown Award Donation	10,000	-	(10,000)	
Lego Foundation	2,172	-	(2,172)	
Donations - Arts Education	989	-	(989)	
<b>Subtotal Local Sources - Unrestricted</b>	<b>\$ 6,881,216</b>	<b>\$ 6,570,558</b>	<b>\$ (310,658)</b>	<b>(5%)</b>
<b>Local Sources - Restricted</b>				
Indirect Cost	\$ 2,901,139	\$ 2,900,000	\$ (1,139)	
Indirect Cost - Food Service	2,419,434	2,400,000	(19,434)	
Parents as Teachers - Smart Start	460,440	459,317	(1,123)	

# Revenues

Source of Income	Budget 2015-16	Adopted Budget 2016-17	Increase/ Decrease	% Change
John Rex Endowment	\$ 1,285,001	\$ 371,925	\$ (913,076)	
NC Pre-K	470,991	266,911	(204,080)	
John Rex Endowment - Social Emotional Foundations for Early Learning	508,189	223,504	(284,685)	
Disposition of School Fixed Assets	228,555	150,000	(78,555)	
Cellular Lease	150,000	150,000	-	
Wake County Universal Breakfast Appropriation	90,000	150,000	60,000	
Transition - Smart Start	111,258	117,930	6,672	
Burroughs Wellcome Science Enrichment "STEM" Wise	116,507	102,230	(14,277)	
CIU Confucius Classroom	109,011	96,476	(12,535)	
Duke/Project Bright IDEA 3	240,263	95,016	(145,247)	
United Way Changing Generations/Pathways to Progress	61,244	82,933	21,689	
United Way Social Innovation Challenge	50,000	50,000	-	
Burroughs Wellcome Fund	80,390	43,476	(36,914)	
NC Large District Superintendents' Consortium	35,000	35,000	-	
Laura and John Arnold Foundation	37,703	34,829	(2,874)	
Digital Promise Grant	38,748	31,366	(7,382)	
Wake Up and Read	30,423	30,423	-	
Burroughs Wellcome Fund - Career Award for Science & Mathematics Teachers	45,000	28,155	(16,845)	
Project Lead the Way	40,000	20,521	(19,479)	
Beehive Collective	25,000	19,499	(5,501)	
Titmus Foundation	-	18,753	18,753	
Verizon Project Lead the Way	-	17,000	17,000	
Professional Leave Paid by Outside Agencies	29,493	15,000	(14,493)	
Burroughs Wellcome Student Science Enrichment Program Grants	22,127	15,000	(7,127)	
Confucius Institute	15,125	6,702	(8,423)	
Project Lead the Way Launch Program	-	5,000	5,000	
Athens Library	18,559	3,599	(14,960)	
Biogen Idec Community Lab Teacher Support	2,564	826	(1,738)	
GradNation Community Summit	15,000	320	(14,680)	
National Board for Professional Teaching Standards	12,077	30	(12,047)	
New School Project	10,709	-	(10,709)	
Food Research & Action Center Program	9,000	-	(9,000)	
State Farm Critical Friends	5,000	-	(5,000)	
North Carolina High School Athletic Association	2,750	-	(2,750)	
LAMB Foundation of North Carolina	575	-	(575)	
Grow Up Great with the Arts - PNC Grant	207	-	(207)	
Give with Target	102	-	(102)	

# Revenues

Source of Income	Budget 2015-16	Adopted Budget 2016-17	Increase/ Decrease	% Change
SAS In School Centennial MS	\$ 17	\$ -	\$ (17)	
Summer Leadership Camp - Wake Leadership Academy	5	-	(5)	
Project Lead the Way - Centennial Campus Middle	4	-	(4)	
<b>Subtotal - Local Sources - Restricted</b>	<b>\$ 9,677,610</b>	<b>\$ 7,941,741</b>	<b>\$ (1,735,869)</b>	<b>(18%)</b>
<b>Special Revenue Services</b>				
Beginning Appropriated Fund Balance	\$ 20,000,000	\$ 10,400,000	\$ (9,600,000)	
Textbooks	770,685	2,606,486	1,835,801	
Carryforward Purchase Orders	5,013,972	1,327,280	(3,686,692)	
Startup Dollars - New Schools	57,821	108,614	50,793	
4C Grant Carryover	-	68,424	68,424	
Municipal Collaboration Funds	26,846	26,846	-	
Drivers Education Fleet Vehicles	-	8,695	8,695	
Special Projects	6,007,500	-	(6,007,500)	
\$750 Bonus to Locally Funded Employees	2,000,000	-	(2,000,000)	
Workers' Compensation Claims	600,000	-	(600,000)	
Salary Audit	311,918	-	(311,918)	
Environmental and Grounds Equipment Purchase	32,500	-	(32,500)	
Preparing and Archiving Student Records	16,336	-	(16,336)	
Project Enlightenment Playground Repair	16,000	-	(16,000)	
<b>Subtotal Special Revenue Services</b>	<b>\$ 34,853,578</b>	<b>\$ 14,546,345</b>	<b>\$ (20,307,233)</b>	<b>(58%)</b>
<b>Fund Transfers</b>				
Transfer from Special Funds of Individual Schools	\$ 367,758	\$ 395,702	\$ 27,944	
<b>Subtotal Fund Transfers</b>	<b>\$ 367,758</b>	<b>\$ 395,702</b>	<b>\$ 27,944</b>	<b>8%</b>
<b>TOTAL - LOCAL SOURCES</b>	<b>\$ 480,995,689</b>	<b>\$ 481,555,328</b>	<b>\$ 559,639</b>	<b>0%</b>
<b>FEDERAL SOURCES</b>				
<b>Restricted Grants (Received through NCDPI)</b>				
ESEA Title I - Basic Program	\$ 33,132,163	\$ 33,217,659	\$ 85,496	
IDEA Title VI-B Handicapped	32,746,258	29,831,548	(2,914,710)	
IDEA - Early Intervening Services	5,548,596	5,414,667	(133,929)	
Title II - Improving Teacher Quality	2,987,443	2,666,835	(320,608)	
Title III - Language Acquisition	2,597,785	2,372,520	(225,265)	
Career Technical Education - Program Improvement	1,423,255	1,463,728	40,473	
IDEA Title VI-B - Pre-School Handicapped	501,920	471,664	(30,256)	
Title III - Language Acquisition - Significant Increase	428,520	331,277	(97,243)	
McKinney-Vento Homeless Assistance	145,236	91,936	(53,300)	
ESEA Title I - School Improvement	146,364	79,183	(67,181)	



# Revenues

Source of Income	Budget 2015-16	Adopted Budget 2016-17	Increase/ Decrease	% Change
IDEA VI-B Special Needs Targeted Assistance	\$ 20,065	\$ 9,966	\$ (10,099)	
IDEA - Targeted Assistance for Preschool Federal Grant	45,726	8,717	(37,009)	
IDEA - State Improvement Grant	10,540	364	(10,176)	
Children with Disabilities - Risk Pool	202,434	-	(202,434)	
<b>Subtotal Restricted Grants (Received through NCDPI)</b>	<b>\$ 79,936,305</b>	<b>\$ 75,960,064</b>	<b>\$ (3,976,241)</b>	<b>(5%)</b>
<b>Other Restricted Grants (Received directly)</b>				
Medicaid Direct Services Reimbursement Program	\$ 9,616,715	\$ 6,686,414	\$ (2,930,301)	
Magnet School	5,915,153	2,312,496	(3,602,657)	
Medicaid Administrative Outreach Program	1,316,777	1,272,664	(44,113)	
Elementary and Secondary School Counseling Achieve Success	625,790	526,785	(99,005)	
National Science Foundation Math and Science Partnership	262,922	158,253	(104,669)	
NC Quest	203,643	70,400	(133,243)	
Indian Education Act	69,386	62,482	(6,904)	
Teacher Incentive Fund	218,508	12,182	(206,326)	
NC Arts Council Grant (Federal)	13,500	1,526	(11,974)	
NC New Schools - NC STEP - Federal Transition to Teaching	7,500	619	(6,881)	
READS for Summer Learning	41,468	-	(41,468)	
<b>Subtotal Other Restricted Grants (Received directly)</b>	<b>\$ 18,291,362</b>	<b>\$ 11,103,821</b>	<b>\$ (7,187,541)</b>	<b>(39%)</b>
<b>Other Revenues - Restricted Grants</b>				
USDA Grants - Regular	\$ 32,139,101	\$ 31,525,000	\$ (614,101)	
USDA Grants - Commodities Used	-	3,200,000	3,200,000	
USDA Grants - Summer Feeding	515,000	630,000	115,000	
ROTC	450,000	450,000	-	
USDA Grants - Fresh Fruit and Vegetable	57,850	20,631	(37,219)	
<b>Subtotal Other Revenues - Restricted Grants</b>	<b>\$ 33,161,951</b>	<b>\$ 35,825,631</b>	<b>\$ 2,663,680</b>	<b>8%</b>
<b>TOTAL - FEDERAL SOURCES</b>	<b>\$ 131,389,618</b>	<b>\$ 122,889,516</b>	<b>\$ (8,500,102)</b>	<b>(6%)</b>
<b>OPERATING BUDGET</b>	<b>\$ 1,464,976,924</b>	<b>\$ 1,474,984,113</b>	<b>\$ 10,007,189</b>	<b>1%</b>
<b>BUILDING PROGRAM</b>	<b>\$ 763,579,879</b>	<b>\$ 553,198,629</b>	<b>\$ (210,381,250)</b>	<b>(28%)</b>
<b>TOTAL BUDGET</b>	<b>\$ 2,228,556,803</b>	<b>\$ 2,028,182,742</b>	<b>\$ (200,374,061)</b>	<b>(9%)</b>

# Revenues

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Source of Income	Budget 2015-16	Adopted Budget 2016-17	Increase/ Decrease	% Change
State Sources	\$ 852,591,617	\$ 870,539,269	\$ 17,947,652	2%
Local Sources	480,995,689	481,555,328	559,639	0%
Federal Sources	131,389,618	122,889,516	(8,500,102)	(6%)
<b>Operating Budget</b>	<b>\$ 1,464,976,924</b>	<b>\$ 1,474,984,113</b>	<b>\$ 10,007,189</b>	<b>1%</b>
Building Program	763,579,879	553,198,629	(210,381,250)	(28%)
<b>Total Budget</b>	<b>\$ 2,228,556,803</b>	<b>\$ 2,028,182,742</b>	<b>\$ (200,374,061)</b>	<b>(9%)</b>

# Budget by Object Code

Object Code	Budget 2015-16	Adopted Budget 2016-17				Increase/ Decrease	%
		State	Local	Federal	Total		
<b>SALARIES</b>							
Central Services Administrator	\$ 23,196,139	\$ 2,580,867	\$ 21,054,140	\$ 1,277,668	\$ 24,912,675	\$ 1,716,536	
School-Based Administrator	28,639,695	30,424,714	895,945	-	31,320,659	2,680,964	
<b>Administrative Personnel</b>	<b>\$ 51,835,834</b>	<b>\$ 33,005,581</b>	<b>\$ 21,950,085</b>	<b>\$ 1,277,668</b>	<b>\$ 56,233,334</b>	<b>\$ 4,397,500</b>	<b>8%</b>
Teacher	\$ 448,787,732	\$ 404,602,263	\$ 35,030,265	\$ 21,710,316	\$ 461,342,844	\$ 12,555,112	
<b>Instructional Personnel - Certified</b>	<b>\$ 448,787,732</b>	<b>\$ 404,602,263</b>	<b>\$ 35,030,265</b>	<b>\$ 21,710,316</b>	<b>\$ 461,342,844</b>	<b>\$ 12,555,112</b>	<b>3%</b>
Instructional Support I - Regular Pay Scale	\$ 44,267,205	\$ 39,357,531	\$ 4,801,989	\$ 1,652,285	\$ 45,811,805	\$ 1,544,600	
Instructional Support II - Advanced Pay Scale	9,122,503	9,386,641	274,458	65,263	9,726,362	603,859	
Psychologist	5,928,539	5,959,566	158,205	52,789	6,170,560	242,021	
Instructional Facilitator	13,224,616	6,657,184	3,139,136	6,142,064	15,938,384	2,713,768	
<b>Instructional Support Personnel - Certified</b>	<b>\$ 72,542,863</b>	<b>\$ 61,360,922</b>	<b>\$ 8,373,788</b>	<b>\$ 7,912,401</b>	<b>\$ 77,647,111</b>	<b>\$ 5,104,248</b>	<b>7%</b>
Teaching Assistant - Other	\$ 934,728	\$ 946,760	\$ 47,128	\$ -	\$ 993,888	\$ 59,160	
Teaching Assistant - NCLB	46,695,080	42,489,400	2,141,601	6,496,150	51,127,151	4,432,071	
Tutor (within the instructional day)	164,725	-	53,747	-	53,747	(110,978)	
Brailist, Translator, Education Interpreter	925,060	854,621	459,551	40,000	1,354,172	429,112	
Therapist	4,091,962	4,199,309	-	-	4,199,309	107,347	
School-Based Specialist	1,421,920	-	1,180,721	85,323	1,266,044	(155,876)	
Monitor	3,228,795	-	3,562,082	-	3,562,082	333,287	
Non-Certified Instructor	25,520	-	17,112	14,380	31,492	5,972	
<b>Instructional Support Personnel - Non-Certified</b>	<b>\$ 57,487,790</b>	<b>\$ 48,490,090</b>	<b>\$ 7,461,942</b>	<b>\$ 6,635,853</b>	<b>\$ 62,587,885</b>	<b>\$ 5,100,095</b>	<b>9%</b>
Office Support	\$ 29,900,641	\$ 24,143,272	\$ 6,238,405	\$ 424,910	\$ 30,806,587	\$ 905,946	
Technician	2,618,229	48,271	2,676,245	-	2,724,516	106,287	
Administrative Specialist (Central Support)	2,513,962	420,684	2,198,315	-	2,618,999	105,037	
<b>Technical &amp; Administrative Support Personnel</b>	<b>\$ 35,032,832</b>	<b>\$ 24,612,227</b>	<b>\$ 11,112,965</b>	<b>\$ 424,910</b>	<b>\$ 36,150,102</b>	<b>\$ 1,117,270</b>	<b>3%</b>
Substitute Teacher - Regular Teacher Absence	\$ 9,864,017	\$ 1,499,999	\$ 8,036,061	\$ 164,117	\$ 9,700,177	\$ (163,840)	
Substitute Teacher - Staff Development Absence	2,257,430	181,206	1,252,341	840,195	2,273,742	16,312	
Substitute - Non-Teaching	2,295,134	3,078,041	236,515	95,192	3,409,748	1,114,614	
Teaching Assistant Salary when Substituting (Staff Development Absence)	222,756	239	110,485	27,729	138,453	(84,303)	

# Budget by Object Code

Object Code	Budget 2015-16	Adopted Budget 2016-17				Increase/ Decrease	%
		State	Local	Federal	Total		
Teaching Assistant Salary when Substituting (Regular Teacher Absence)	\$ 1,589,450	\$ 1,384,903	\$ 45,057	\$ 43,066	\$ 1,473,026	\$ (116,424)	
<b>Substitute Personnel</b>	<b>\$ 16,228,787</b>	<b>\$ 6,144,388</b>	<b>\$ 9,680,459</b>	<b>\$ 1,170,299</b>	<b>\$ 16,995,146</b>	<b>\$ 766,359</b>	<b>5%</b>
Driver	\$ 19,987,169	\$ 8,858,538	\$ 750,788	\$ 22,724	\$ 9,632,050	\$ (10,355,119)	
Custodian	12,244,874	12,224,495	144,050	320	12,368,865	123,991	
Cafeteria Worker	9,831,979	96,735	4,484,548	6,332,139	10,913,422	1,081,443	
Skilled Trades	12,320,841	5,310,054	7,530,911	-	12,840,965	520,124	
Manager	7,371,088	659,650	6,180,905	-	6,840,555	(530,533)	
Work Study Student	6,110	-	14,450	-	14,450	8,340	
Day Care/Before/After School Care Staff	2,606,735	-	2,190,140	-	2,190,140	(416,595)	
<b>Operational Support Personnel</b>	<b>\$ 64,368,796</b>	<b>\$ 27,149,472</b>	<b>\$ 21,295,792</b>	<b>\$ 6,355,183</b>	<b>\$ 54,800,447</b>	<b>\$ (9,568,349)</b>	<b>(15%)</b>
Bonus Pay (not subject to retirement)	\$ 14,281,821	\$ 2,142,462	\$ 842,232	\$ 1,136	\$ 2,985,830	\$ (11,295,991)	
Supplement/Supplementary Pay	107,153,112	-	104,705,772	5,254,130	109,959,902	2,806,790	
Employee Allowances Taxable	162,719	-	172,412	-	172,412	9,693	
Bonus Pay	71,557	-	6,619	-	6,619	(64,938)	
Longevity Pay	3,800,542	2,658,663	1,080,148	66,904	3,805,715	5,173	
Bonus Leave Payoff	186,970	187,048	89,943	222	277,213	90,243	
Short Term Disability Payment (beyond six months)	564,956	609,159	-	-	609,159	44,203	
Salary Differential	711,989	-	682,128	-	682,128	(29,861)	
Annual Leave Payoff	6,616,830	4,591,982	1,678,114	4,307	6,274,403	(342,427)	
Short Term Disability Payment (first six months)	601,449	505,865	103,145	-	609,010	7,561	
<b>Supplementary &amp; Benefits - Related Pay</b>	<b>\$ 134,151,945</b>	<b>\$ 10,695,179</b>	<b>\$ 109,360,513</b>	<b>\$ 5,326,699</b>	<b>\$ 125,382,391</b>	<b>\$ (8,769,554)</b>	<b>(7%)</b>
Curriculum Development Pay	\$ 466,662	\$ 20,000	\$ 393,414	\$ 74,008	\$ 487,422	\$ 20,760	
Additional Responsibility Stipend	9,196,033	4,515	10,968,130	201,735	11,174,380	1,978,347	
Mentor Pay Stipend	429,631	10,000	374,900	-	384,900	(44,731)	
Staff Development Participant Pay	636,721	470,457	74,765	100,274	645,496	8,775	
Staff Development Instructor	124,614	26,265	105,235	3,820	135,320	10,706	
Tutorial Pay	1,356,448	-	856,883	132,482	989,365	(367,083)	
Overtime Pay	2,486,168	212,456	2,484,439	-	2,696,895	210,727	
<b>Extra Duty Pay</b>	<b>\$ 14,696,277</b>	<b>\$ 743,693</b>	<b>\$ 15,257,766</b>	<b>\$ 512,319</b>	<b>\$ 16,513,778</b>	<b>\$ 1,817,501</b>	<b>12%</b>
<b>SALARIES TOTAL</b>	<b>\$ 895,132,856</b>	<b>\$ 616,803,815</b>	<b>\$ 239,523,575</b>	<b>\$ 51,325,648</b>	<b>\$ 907,653,038</b>	<b>\$ 12,520,182</b>	<b>1%</b>

# Budget by Object Code

Object Code	Budget 2015-16	Adopted Budget 2016-17				Increase/ Decrease	%
		State	Local	Federal	Total		
<b>EMPLOYER PROVIDED BENEFITS</b>							
Employer's Social Security Cost	\$ 65,976,419	\$ 46,499,366	\$ 18,061,722	\$ 3,927,252	\$ 68,488,340	\$ 2,511,921	
<b>Federal Insurance Compensation Act</b>	<b>\$ 65,976,419</b>	<b>\$ 46,499,366</b>	<b>\$ 18,061,722</b>	<b>\$ 3,927,252</b>	<b>\$ 68,488,340</b>	<b>\$ 2,511,921</b>	<b>4%</b>
Employer's Retirement Cost	\$ 130,390,127	\$ 97,773,305	\$ 36,324,406	\$ 8,059,428	\$ 142,157,139	\$ 11,767,012	
<b>Retirement Benefits</b>	<b>\$ 130,390,127</b>	<b>\$ 97,773,305</b>	<b>\$ 36,324,406</b>	<b>\$ 8,059,428</b>	<b>\$ 142,157,139</b>	<b>\$ 11,767,012</b>	<b>9%</b>
Employer's Hospitalization Insurance Cost	\$ 92,790,363	\$ 76,026,728	\$ 14,819,571	\$ 5,052,077	\$ 95,898,376	\$ 3,108,013	
Employer's Workers' Compensation	2,211,686	-	1,437,959	133,899	1,571,858	(639,828)	
Employer's Unemployment Insurance Cost	318,339	85,725	982,609	-	1,068,334	749,995	
Employer's Dental Insurance Cost	4,589,064	-	4,335,325	246,402	4,581,727	(7,337)	
Employer's Life Insurance Cost	1,870	-	1,871	-	1,871	1	
<b>Insurance Benefits</b>	<b>\$ 99,911,322</b>	<b>\$ 76,112,453</b>	<b>\$ 21,577,335</b>	<b>\$ 5,432,378</b>	<b>\$ 103,122,166</b>	<b>\$ 3,210,844</b>	<b>3%</b>
<b>EMPLOYER PROVIDED BENEFITS TOTAL</b>	<b>\$ 296,277,868</b>	<b>\$ 220,385,124</b>	<b>\$ 75,963,463</b>	<b>\$ 17,419,058</b>	<b>\$ 313,767,645</b>	<b>\$ 17,489,777</b>	<b>6%</b>
<b>SALARIES AND EMPLOYER PROVIDED BENEFITS</b>							
<b>SALARIES AND EMPLOYER PROVIDED BENEFITS TOTAL</b>	<b>\$ 1,191,410,724</b>	<b>\$ 837,188,939</b>	<b>\$ 315,487,038</b>	<b>\$ 68,744,706</b>	<b>\$ 1,221,420,683</b>	<b>\$ 30,009,959</b>	<b>3%</b>
<i>Percent of Operating Budget</i>	<i>81%</i>	<i>96%</i>	<i>66%</i>	<i>56%</i>	<i>83%</i>		
<b>PURCHASED SERVICES</b>							
Contracted Services	\$ 44,737,274	\$ 10,279,733	\$ 25,607,932	\$ 8,965,980	\$ 44,853,645	\$ 116,371	
Workshop Expenses	7,253,892	299,683	2,781,000	2,798,029	5,878,712	(1,375,180)	
Advertising Cost	123,092	-	123,235	24,087	147,322	24,230	
Printing and Binding Fees	2,132,783	44,600	1,858,740	137,933	2,041,273	(91,510)	
Psychological Contract Services	50,000	-	52,848	-	52,848	2,848	
Other Professional and Technical Services	14,816	1,490,985	56,977	-	1,547,962	1,533,146	
<b>Professional and Technical Services</b>	<b>\$ 54,311,857</b>	<b>\$ 12,115,001</b>	<b>\$ 30,480,732</b>	<b>\$ 11,926,029</b>	<b>\$ 54,521,762</b>	<b>\$ 209,905</b>	<b>0%</b>
Public Utilities - Electric Services	\$ 23,523,659	\$ -	\$ 22,520,891	\$ -	\$ 22,520,891	\$ (1,002,768)	
Public Utilities - Natural Gas	2,406,674	-	3,291,249	-	3,291,249	884,575	
Public Utilities - Water and Sewer	3,823,307	-	3,596,607	-	3,596,607	(226,700)	

# Budget by Object Code

Object Code	Budget 2015-16	Adopted Budget 2016-17				Increase/ Decrease	%
		State	Local	Federal	Total		
Waste Management	\$ 1,015,897	\$ -	\$ 1,186,075	\$ -	\$ 1,186,075	\$ 170,178	
Contracted Repairs and Maintenance - Land/Buildings	18,924,482	-	14,544,683	-	14,544,683	(4,379,799)	
Contracted Repairs and Maintenance - Equipment	191,538	-	225,693	-	225,693	34,155	
Rentals/Leases	124,696	3,135	172,492	200	175,827	51,131	
Other Property Services	1,000	-	1,000	-	1,000	-	
<b>Property Services</b>	<b>\$ 50,011,253</b>	<b>\$ 3,135</b>	<b>\$ 45,538,690</b>	<b>\$ 200</b>	<b>\$ 45,542,025</b>	<b>\$ (4,469,228)</b>	<b>(9%)</b>
Pupil Transportation - Contracted	\$ 15,040,818	\$ 11,111,826	\$ 3,695,600	\$ 80,589	\$ 14,888,015	\$ (152,803)	
Travel Reimbursement	1,192,621	25,544	880,840	131,485	1,037,869	(154,752)	
Field Trips	625,190	251,308	189,161	88,708	529,177	(96,013)	
<b>Transportation Services</b>	<b>\$ 16,858,629</b>	<b>\$ 11,388,678</b>	<b>\$ 4,765,601</b>	<b>\$ 300,782</b>	<b>\$ 16,455,061</b>	<b>\$ (403,568)</b>	<b>(2%)</b>
Telephone	\$ 2,495,411	\$ -	\$ 2,052,868	\$ 40,000	\$ 2,092,868	\$ (402,543)	
Postage	483,246	200	455,781	40,000	495,981	12,735	
Telecommunications Services	2,154,234	2,024,980	203,547	-	2,228,527	74,293	
Mobile Communication Costs	613,570	5,400	602,490	12,000	619,890	6,320	
Security Monitoring	2,299	-	43	-	43	(2,256)	
Other Communication Services	893	-	481	-	481	(412)	
<b>Communications</b>	<b>\$ 5,749,653</b>	<b>\$ 2,030,580</b>	<b>\$ 3,315,210</b>	<b>\$ 92,000</b>	<b>\$ 5,437,790</b>	<b>\$ (311,863)</b>	<b>(5%)</b>
Tuition Reimbursements	\$ 185,375	\$ 222,000	\$ 22,072	\$ 8,610	\$ 252,682	\$ 67,307	
Employee Education Reimbursements	206,238	1,170	-	67,942	69,112	(137,126)	
Certification/Licensing Fees	24,729	-	18,667	-	18,667	(6,062)	
<b>Tuition</b>	<b>\$ 416,342</b>	<b>\$ 223,170</b>	<b>\$ 40,739</b>	<b>\$ 76,552</b>	<b>\$ 340,461</b>	<b>\$ (75,881)</b>	<b>(18%)</b>
Membership Dues and Fees	\$ 355,330	\$ -	\$ 362,817	\$ 2,088	\$ 364,905	\$ 9,575	
Bank Service Fees	3,000	-	3,500	-	3,500	500	
Assessments/Penalties	92,682	2,000	113,269	-	115,269	22,587	
<b>Dues and Fees</b>	<b>\$ 451,012</b>	<b>\$ 2,000</b>	<b>\$ 479,586</b>	<b>\$ 2,088</b>	<b>\$ 483,674</b>	<b>\$ 32,662</b>	<b>7%</b>
Liability Insurance	\$ 674,641	\$ -	\$ 519,641	\$ -	\$ 519,641	\$ (155,000)	
Vehicle Liability Insurance	373,925	140,000	108,006	-	248,006	(125,919)	
Property Insurance	1,055,500	-	1,105,500	-	1,105,500	50,000	
Judgments Against the Local School Administrative Unit	10,842	-	10,842	-	10,842	-	
Fidelity Bond Premium	8,010	-	8,010	-	8,010	-	
Scholastic Accident Insurance	185,279	-	175,280	-	175,280	(9,999)	
Other Insurance and Judgments	40,377	27,288	13,090	-	40,378	1	
<b>Insurance and Judgments</b>	<b>\$ 2,348,574</b>	<b>\$ 167,288</b>	<b>\$ 1,940,369</b>	<b>\$ -</b>	<b>\$ 2,107,657</b>	<b>\$ (240,917)</b>	<b>(10%)</b>

# Budget by Object Code

Object Code	Budget 2015-16	Adopted Budget 2016-17				Increase/ Decrease	%
		State	Local	Federal	Total		
Debt Service - Principal	\$ 816,720	\$ -	\$ -	\$ -	\$ -	\$ (816,720)	
<b>Debt Services</b>	<b>\$ 816,720</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (816,720)</b>	<b>(100%)</b>
Indirect Cost	\$ 6,329,101	\$ -	\$ 1,876,593	\$ 4,056,465	\$ 5,933,058	\$ (396,043)	
Unbudgeted Funds	18,979,899	-	5,476,730	9,379,912	14,856,642	(4,123,257)	
<b>Other Administrative Costs</b>	<b>\$ 25,309,000</b>	<b>\$ -</b>	<b>\$ 7,353,323</b>	<b>\$ 13,436,377</b>	<b>\$ 20,789,700</b>	<b>\$ (4,519,300)</b>	<b>(18%)</b>
<b>PURCHASED SERVICES TOTAL</b>	<b>\$ 156,273,040</b>	<b>\$ 25,929,852</b>	<b>\$ 93,914,250</b>	<b>\$ 25,834,028</b>	<b>\$ 145,678,130</b>	<b>\$ (10,594,910)</b>	<b>(7%)</b>
<i>Percent of Operating Budget</i>	11%	3%	19%	21%	10%		
<b>SUPPLIES AND MATERIALS</b>							
Supplies and Materials	\$ 33,147,426	\$ 3,265,364	\$ 27,739,748	\$ 3,855,248	\$ 34,860,360	\$ 1,712,934	
State Textbooks	96,634	1	-	-	1	(96,633)	
Other Textbooks	308,603	189,679	70,406	-	260,085	(48,518)	
Library Books	605,679	-	270,535	124,412	394,947	(210,732)	
Computer/Software and Supplies	5,180,002	137,295	2,811,285	392,500	3,341,080	(1,838,922)	
<b>School and Office Supplies</b>	<b>\$ 39,338,344</b>	<b>\$ 3,592,339</b>	<b>\$ 30,891,974</b>	<b>\$ 4,372,160</b>	<b>\$ 38,856,473</b>	<b>\$ (481,871)</b>	<b>(1%)</b>
Fuel for Facilities	\$ 168,319	\$ -	\$ 173,957	\$ -	\$ 173,957	\$ 5,638	
Repair Parts, Materials and Related Labor, Grease, and Anti-Freeze	9,221,906	546,380	8,478,517	-	9,024,897	(197,009)	
Gas/Diesel Fuel	8,318,983	2,775,926	3,224,389	-	6,000,315	(2,318,668)	
Oil	200,650	-	201,925	-	201,925	1,275	
Tires and Tubes	580,166	-	588,530	-	588,530	8,364	
<b>Operational Supplies</b>	<b>\$ 18,490,024</b>	<b>\$ 3,322,306</b>	<b>\$ 12,667,318</b>	<b>\$ -</b>	<b>\$ 15,989,624</b>	<b>\$ (2,500,400)</b>	<b>(14%)</b>
Food Purchases	\$ 20,621,817	\$ -	\$ 598,877	\$ 19,995,704	\$ 20,594,581	\$ (27,236)	
Food Processing Supplies	2,170,117	-	-	2,217,495	2,217,495	47,378	
Other Food Purchases	10,000	4,500	4,900	-	9,400	(600)	
<b>Food Supplies</b>	<b>\$ 22,801,934</b>	<b>\$ 4,500</b>	<b>\$ 603,777</b>	<b>\$ 22,213,199</b>	<b>\$ 22,821,476</b>	<b>\$ 19,542</b>	<b>0%</b>
Furniture and Equipment - Inventoried	\$ 4,173,548	\$ 52,429	\$ 35,272	\$ 724,247	\$ 811,948	\$ (3,361,600)	
Computer Equipment - Inventoried	2,416,259	281,272	31,573	457,935	770,780	(1,645,479)	
<b>Non-Capitalized Equipment</b>	<b>\$ 6,589,807</b>	<b>\$ 333,701</b>	<b>\$ 66,845</b>	<b>\$ 1,182,182</b>	<b>\$ 1,582,728</b>	<b>\$ (5,007,079)</b>	<b>(76%)</b>
<b>SUPPLIES AND MATERIALS TOTAL</b>	<b>\$ 87,220,109</b>	<b>\$ 7,252,846</b>	<b>\$ 44,229,914</b>	<b>\$ 27,767,541</b>	<b>\$ 79,250,301</b>	<b>\$ (7,969,808)</b>	<b>(9%)</b>
<i>Percent of Operating Budget</i>	6%	1%	9%	23%	5%		

# Budget by Object Code

Object Code	Budget 2015-16	Adopted Budget 2016-17				Increase/ Decrease	%
		State	Local	Federal	Total		
<b>CAPITAL OUTLAY</b>							
General Contract	\$ 113,005	\$ -	\$ 138,850	\$ -	\$ 138,850	\$ 25,845	
Architects Fees	57,500	-	37,790	-	37,790	(19,710)	
Miscellaneous Contracts and Other Charges	1,525,504	-	1,473,247	-	1,473,247	(52,257)	
<b>Building Contracts</b>	<b>\$ 1,696,009</b>	<b>\$ -</b>	<b>\$ 1,649,887</b>	<b>\$ -</b>	<b>\$ 1,649,887</b>	<b>\$ (46,122)</b>	<b>(3%)</b>
Purchase of Furniture and Equipment - Capitalized	\$ 920,382	\$ 150,024	\$ 224,476	\$ 433,241	\$ 807,741	\$ (112,641)	
Purchase of Computer Hardware - Capitalized	126,922	-	-	-	-	(126,922)	
<b>Equipment</b>	<b>\$ 1,047,304</b>	<b>\$ 150,024</b>	<b>\$ 224,476</b>	<b>\$ 433,241</b>	<b>\$ 807,741</b>	<b>\$ (239,563)</b>	<b>(23%)</b>
Purchase of Vehicles	\$ 4,277,705	\$ 10,000	\$ 554,862	\$ 110,000	\$ 674,862	\$ (3,602,843)	
License and Title Fees	85,470	7,608	78,338	-	85,946	476	
<b>Vehicles</b>	<b>\$ 4,363,175</b>	<b>\$ 17,608</b>	<b>\$ 633,200</b>	<b>\$ 110,000</b>	<b>\$ 760,808</b>	<b>\$ (3,602,367)</b>	<b>(83%)</b>
<b>CAPITAL OUTLAY TOTAL</b>	<b>\$ 7,106,488</b>	<b>\$ 167,632</b>	<b>\$ 2,507,563</b>	<b>\$ 543,241</b>	<b>\$ 3,218,436</b>	<b>\$ (3,888,052)</b>	<b>(55%)</b>
<i>Percent of Operating Budget</i>	<i>0%</i>	<i>0%</i>	<i>1%</i>	<i>0%</i>	<i>0%</i>		
<b>TRANSFERS</b>							
Transfers to Charter Schools	\$ 22,966,563	\$ -	\$ 25,416,563	\$ -	\$ 25,416,563	\$ 2,450,000	
<b>TRANSFERS TOTAL</b>	<b>\$ 22,966,563</b>	<b>\$ -</b>	<b>\$ 25,416,563</b>	<b>\$ -</b>	<b>\$ 25,416,563</b>	<b>\$ 2,450,000</b>	<b>11%</b>
<i>Percent of Operating Budget</i>	<i>2%</i>	<i>0%</i>	<i>5%</i>	<i>0%</i>	<i>2%</i>		
<b>OPERATING BUDGET</b>	<b>\$ 1,464,976,924</b>	<b>\$ 870,539,269</b>	<b>\$ 481,555,328</b>	<b>\$ 122,889,516</b>	<b>\$ 1,474,984,113</b>	<b>\$ 10,007,189</b>	<b>1%</b>
<b>BUILDING PROGRAM</b>	<b>763,579,879</b>	<b>-</b>	<b>553,198,629</b>	<b>-</b>	<b>553,198,629</b>	<b>(210,381,250)</b>	<b>(28%)</b>
<b>TOTAL BUDGET</b>	<b>\$ 2,228,556,803</b>	<b>\$ 870,539,269</b>	<b>\$ 1,034,753,957</b>	<b>\$ 122,889,516</b>	<b>\$ 2,028,182,742</b>	<b>\$ (200,374,061)</b>	<b>(9%)</b>



# Staff Budget

	Months of Employment					Increase/ Decrease
	2015-16	2016-17			Total	
	Total	State	Local	Federal		
<b>Administrative Personnel</b>						
Superintendent	12.00	12.00			12.00	0.00
Associate and Deputy Superintendent	60.00	24.00	36.00		60.00	0.00
Director and/or Supervisor	3,872.00	269.00	3,427.80	199.20	3,896.00	24.00
Principal/Headmaster	2,078.00	2,136.00	4.00		2,140.00	62.00
Finance Officer	12.00	12.00			12.00	0.00
Assistant Principal (non-teaching)	3,173.00	3,114.00	31.00		3,145.00	(28.00)
Other Assistant Principal Assignment	180.00	180.00			180.00	0.00
Assistant Superintendent	180.00	36.00	144.00		180.00	0.00
	<u>9,567.00</u>	<u>5,783.00</u>	<u>3,642.80</u>	<u>199.20</u>	<u>9,625.00</u>	<u>58.00</u>
<b>Instructional Personnel - Certified</b>						
Teacher	102,756.09	88,091.08	10,625.48	5,253.15	103,969.71	1,213.62
Teacher - ROTC	180.00	90.00	90.00		180.00	0.00
Teacher - VIF	450.00	420.00		30.00	450.00	0.00
Extended Contracts	4.00					(4.00)
Master Teacher	919.00	812.50	8.50	81.00	902.00	(17.00)
	<u>104,309.09</u>	<u>89,413.58</u>	<u>10,723.98</u>	<u>5,364.15</u>	<u>105,501.71</u>	<u>1,192.62</u>
<b>Instructional Support Personnel - Certified</b>						
Instructional Support I - Regular Pay Scale	9,594.75	8,479.00	927.25	312.00	9,718.25	123.50
Instructional Support II - Advanced Pay Scale	1,795.50	1,537.50	285.00	13.00	1,835.50	40.00
Psychologist	1,149.00	1,077.50	83.50	12.00	1,173.00	24.00
Instructional Facilitator	2,939.75	1,264.00	769.95	845.80	2,879.75	(60.00)
	<u>15,479.00</u>	<u>12,358.00</u>	<u>2,065.70</u>	<u>1,182.80</u>	<u>15,606.50</u>	<u>127.50</u>
<b>Instructional Support Personnel - Non-Certified</b>						
Teaching Assistant - Other	456.00	358.00	98.00		456.00	0.00
Teaching Assistant - NCLB	24,782.71	18,085.50	3,482.96	3,033.51	24,601.97	(180.74)
Interpreter, Brailist, Translator, Education Interpreter	396.30	325.30	71.00		396.30	0.00
Therapist	805.95	724.95	81.00		805.95	0.00
School-Based Specialist	299.00		246.00	47.00	293.00	(6.00)
Monitor	1,523.75		1,658.75		1,658.75	135.00
	<u>28,263.71</u>	<u>19,493.75</u>	<u>5,637.71</u>	<u>3,080.51</u>	<u>28,211.97</u>	<u>(51.74)</u>
<b>Technical and Administrative Support Personnel</b>						
Office Support	11,435.06	7,389.48	4,099.28	133.80	11,622.56	187.50
Technician	588.00	12.00	576.00		588.00	0.00
Administrative Specialist (Central Support)	648.00	84.00	564.00		648.00	0.00
	<u>12,671.06</u>	<u>7,485.48</u>	<u>5,239.28</u>	<u>133.80</u>	<u>12,858.56</u>	<u>187.50</u>

# Staff Budget

	Months of Employment					Increase/ Decrease
	2015-16	2016-17			Total	
	Total	State	Local	Federal		
<b>Substitute Personnel</b>						
Substitute - Non-Teaching	740.00	740.00			740.00	0.00
	<u>740.00</u>	<u>740.00</u>	<u>0.00</u>	<u>0.00</u>	<u>740.00</u>	<u>0.00</u>
<b>Operational Support Personnel</b>						
Driver	10,066.90	10,212.90	204.00		10,416.90	350.00
Custodian	5,512.71	5,572.71	12.00		5,584.71	72.00
Cafeteria Worker	6,543.00		6,679.00		6,679.00	136.00
Skilled Trades	4,332.00	1,800.00	2,568.00		4,368.00	36.00
Manager	2,445.00	180.00	2,317.00		2,497.00	52.00
	<u>28,899.61</u>	<u>17,765.61</u>	<u>11,780.00</u>	<u>0.00</u>	<u>29,545.61</u>	<u>646.00</u>
<b>Total Months of Employment</b>	<b><u>199,929.47</u></b>	<b><u>153,039.42</u></b>	<b><u>39,089.47</u></b>	<b><u>9,960.46</u></b>	<b><u>202,089.35</u></b>	<b><u>2,159.88</u></b>
Months Assigned Directly to Schools	176,382.41	144,006.97	26,259.41	8,604.41	178,870.79	2,488.38
Months Budgeted Centrally but Working in Schools						
Operations Support	5,703.75	582.00	5,256.75	12.00	5,850.75	147.00
Academic Advancement	8,490.75	5,484.45	1,435.75	1,035.05	7,955.25	(535.50)
Superintendent's Office	12.00		12.00		12.00	0.00
	<u>14,206.50</u>	<u>6,066.45</u>	<u>6,704.50</u>	<u>1,047.05</u>	<u>13,818.00</u>	<u>(388.50)</u>
<b>School-Based Months</b>	<b><u>190,588.91</u></b>	<b><u>150,073.42</u></b>	<b><u>32,963.91</u></b>	<b><u>9,651.46</u></b>	<b><u>192,688.79</u></b>	<b><u>2,099.88</u></b>
	95%				95%	
Central Services Months						
Operations Support	5,932.56	2,075.00	3,869.56	24.00	5,968.56	36.00
Academic Advancement	2,316.00	759.00	1,308.00	273.00	2,340.00	24.00
Superintendent's Office	432.00	72.00	348.00	12.00	432.00	0.00
Communications	432.00	24.00	408.00		432.00	0.00
Chief of Staff and Strategic Planning	228.00	36.00	192.00		228.00	0.00
<b>Central Services Months</b>	<b><u>9,340.56</u></b>	<b><u>2,966.00</u></b>	<b><u>6,125.56</u></b>	<b><u>309.00</u></b>	<b><u>9,400.56</u></b>	<b><u>60.00</u></b>
	5%				5%	
<b>Total Months of Employment</b>	<b><u>199,929.47</u></b>	<b><u>153,039.42</u></b>	<b><u>39,089.47</u></b>	<b><u>9,960.46</u></b>	<b><u>202,089.35</u></b>	<b><u>2,159.88</u></b>

# Changes in Staff

Page		Months of Employment			
		State	Local	Federal	Total
<b>Administrative Personnel</b>					
<i>Director and/or Supervisor</i>					
122	Title II - Improving Teacher Quality Grant Professional Development			24.00	24.00
		0.00	0.00	24.00	24.00
<i>Principal</i>					
68	New Schools and Facility Changes	60.00			60.00
72	New Schools - Early Hires, Task Assignment, and Staff Development Dollars	(8.00)	(2.00)		(10.00)
126	FLEX Academy Resources/Lease	12.00			12.00
		64.00	(2.00)	0.00	62.00
<i>Assistant Principal</i>					
68	New Schools and Facility Changes	12.00	55.00		67.00
72	New Schools - Early Hires, Task Assignment, and Staff Development Dollars		(1.00)		(1.00)
113	One-Time Costs in 2015-16		(59.00)		(59.00)
115	East Wake Campus Consolidation		(24.00)		(24.00)
118	Wakefield High School 9th Grade Center		(11.00)		(11.00)
		12.00	(40.00)	0.00	(28.00)
	<b>Subtotal - Administrative Personnel</b>	<b>76.00</b>	<b>(42.00)</b>	<b>24.00</b>	<b>58.00</b>
<b>Instructional Personnel - Certified</b>					
<i>Teacher</i>					
65	Teachers - Regular Classroom	840.00	475.00		1,315.00
68	New Schools and Facility Changes	54.50	208.50	20.00	283.00
74	Career and Technical Education Months of Employment (MOE)	151.91			151.91
78	Limited English Proficiency MOE	25.00			25.00
79	Middle School Academics Teachers		31.00		31.00
80	Special Education Teachers and Teaching Assistants	340.00			340.00
81	Preschool Special Education Teachers and Teaching Assistants		95.00	15.00	110.00
97	Special Education Teacher	6.00		(6.00)	0.00
107	Teachers Change in State Formula for Grade 1	440.00	(124.00)		316.00
108	Phase Out Conversion of Career and Technical Education Months	(142.00)	142.00		0.00
113	One-Time Costs in 2015-16		(371.49)		(371.49)
115	East Wake Campus Consolidation		(9.00)		(9.00)

# Changes in Staff

Page		Months of Employment			
		State	Local	Federal	Total
116	High School Average Daily Membership Teacher Formula Change		(663.00)		(663.00)
119	Middle School Academics College Preparatory Success		(84.00)		(84.00)
125	East Wake High School Redesign		20.00		20.00
128	Magnet New School and Theme Alignment		135.00		135.00
137	Disadvantaged Student Supplemental Funding	(5.80)			(5.80)
139	ESEA Title I - Basic Program			(377.00)	(377.00)
171	Summer Camp		(3.00)		(3.00)
		<u>1,709.61</u>	<u>(147.99)</u>	<u>(348.00)</u>	<u>1,213.62</u>
	<b>Extended Contracts</b>				
	New Schools - Early Hires, Task Assignment, and Staff				
72	Development Dollars		(1.00)		(1.00)
147	ESEA Title I - School Improvement			(3.00)	(3.00)
		<u>0.00</u>	<u>(1.00)</u>	<u>(3.00)</u>	<u>(4.00)</u>
	<b>Master Teacher</b>				
	New Schools - Early Hires, Task Assignment, and Staff				
72	Development Dollars		(1.00)		(1.00)
139	ESEA Title I - Basic Program			(16.00)	(16.00)
		<u>0.00</u>	<u>(1.00)</u>	<u>(16.00)</u>	<u>(17.00)</u>
	<b>Subtotal - Instructional Personnel - Certified</b>	<u><b>1,709.61</b></u>	<u><b>(149.99)</b></u>	<u><b>(367.00)</b></u>	<u><b>1,192.62</b></u>
	<b>Instructional Support Personnel - Certified (Teacher Pay Schedule)</b>				
	<b>Instructional Support I</b>				
68	New Schools and Facility Changes		52.00		52.00
74	Career and Technical Education Months of Employment	80.00			80.00
84	School Counselors	51.00			51.00
88	School Social Workers	12.50	9.00		21.50
113	One-Time Costs in 2015-16		(23.00)		(23.00)
118	Wakefield High School 9th Grade Center		(22.00)		(22.00)
126	FLEX Academy Resources/Lease		12.00		12.00
128	Magnet New School and Theme Alignment		30.00		30.00
139	ESEA Title I - Basic Program			(65.00)	(65.00)
147	ESEA Title I - School Improvement			(1.00)	(1.00)
	John Rex Endowment - Social Emotional Foundations for Early				
158	Learning		(12.00)		(12.00)
		<u>143.50</u>	<u>46.00</u>	<u>(66.00)</u>	<u>123.50</u>

# Changes in Staff

Page		Months of Employment			
		State	Local	Federal	Total
<b>Instructional Support II</b>					
83	Preschool Speech-Language Pathologists		40.00		40.00
		0.00	40.00	0.00	40.00
<b>Psychologist</b>					
86	School Psychologists	24.00			24.00
		24.00	0.00	0.00	24.00
<b>Instructional Facilitator</b>					
125	East Wake High School Redesign		20.00		20.00
139	ESEA Title I - Basic Program			(69.00)	(69.00)
171	Teacher Incentive Fund			(11.00)	(11.00)
		0.00	20.00	(80.00)	(60.00)
<b>Subtotal - Instructional Support Personnel - Certified</b>		<b>167.50</b>	<b>106.00</b>	<b>(146.00)</b>	<b>127.50</b>

## Instructional Support Personnel - Non-Certified

<b>Teaching Assistant - NCLB</b>					
66	Teaching Assistants - Regular Classroom	(558.10)			(558.10)
80	Special Education Teachers and Teaching Assistants		260.40		260.40
81	Preschool Special Education Teachers and Teaching Assistants		164.61	13.95	178.56
113	One-Time Costs in 2015-16		(35.00)		(35.00)
139	ESEA Title I - Basic Program			(26.60)	(26.60)
		(558.10)	390.01	(12.65)	(180.74)
<b>School-Based Specialist</b>					
169	Digital Promise Grant		(6.00)		(6.00)
		0.00	(6.00)	0.00	(6.00)
<b>Monitor</b>					
91	Safety Assistants		135.00		135.00
		0.00	135.00	0.00	135.00
<b>Subtotal - Instructional Support Personnel - Non-Certified</b>		<b>(558.10)</b>	<b>519.01</b>	<b>(12.65)</b>	<b>(51.74)</b>

## Technical and Administrative Support Personnel

<b>Office Support</b>					
68	New Schools and Facility Changes	24.00	172.00		196.00
72	New Schools - Early Hires, Task Assignment, and Staff Development Dollars		(10.00)		(10.00)

# Changes in Staff

Page		Months of Employment			
		State	Local	Federal	Total
113	One-Time Costs in 2015-16		(0.50)		(0.50)
118	Wakefield High School 9th Grade Center		(10.00)		(10.00)
126	FLEX Academy Resources/Lease		12.00		12.00
		24.00	163.50	0.00	187.50
	<b>Subtotal - Technical and Administrative Support Personnel</b>	<b>24.00</b>	<b>163.50</b>	<b>0.00</b>	<b>187.50</b>

## Operational Support Personnel

<i>Driver</i>					
90	Bus Drivers	350.00			350.00
		350.00	0.00	0.00	350.00
<i>Custodian</i>					
68	New Schools and Facility Changes	72.00			72.00
101	Transitions Program	6.00			6.00
118	Wakefield High School 9th Grade Center	(12.00)			(12.00)
126	FLEX Academy Resources/Lease		6.00		6.00
		66.00	6.00	0.00	72.00
<i>Cafeteria Worker</i>					
68	New Schools and Facility Changes		136.00		136.00
		0.00	136.00	0.00	136.00
<i>Skilled Trades</i>					
131	Logistics Support	36.00			36.00
		36.00	0.00	0.00	36.00
<i>Manager</i>					
68	New Schools and Facility Changes		52.00		52.00
		0.00	52.00	0.00	52.00
	<b>Subtotal - Operational Support Personnel</b>	<b>452.00</b>	<b>194.00</b>	<b>0.00</b>	<b>646.00</b>
	<b>Total</b>	<b>1,871.01</b>	<b>790.52</b>	<b>(501.65)</b>	<b>2,159.88</b>

## Months By Cost Center

School-Based Months (0000 - 0799)	1,792.51	562.52	133.35	2,488.38
Central Services School-Based Months (0800 - 0899)	42.50	228.00	(659.00)	(388.50)
Central Services Months (0900 - 0999)	36.00	0.00	24.00	60.00
<b>Total</b>	<b>1,871.01</b>	<b>790.52</b>	<b>(501.65)</b>	<b>2,159.88</b>