

Overview

As we consider the 2022-2023 school year, we must understand how difficult the past two years have been for students and staff of Charlotte-Mecklenburg Schools.

Our community as a whole has experienced hardship unlike anything most of us have faced in our lifetimes. Schools perhaps show the most visible impact of the global pandemic, a local reminder that disruption on such a scale impacts the most important and fundamental elements of life.

Students are suffering emotionally and socially, in school, at home and in the community. Staff are challenged with difficulties few of us ever would have imagined. Outcomes as measured by end of course test scores and other measures predictably show how disruption in instruction has impacted our students.

That said, amid these challenges our mission remains the same. It is our job, our purpose for existence, to make sure every student in CMS is prepared to continue his or her education or to begin a career. We are here to provide hope to all students through equity of opportunity.

We must acknowledge an infusion of one-time funding to address the impact of COVID-19 on our students and staff. We have shared how a significant portion of that has been used to date to help retain and attract staff and to mitigate the impact of disrupted instruction. We very much look forward to ramping up the out-of-school tutoring program for students who attend the 42 schools designated by the state as low performing. This work is critical, as those students who faced significant challenges before the pandemic in many cases are suffering more today. Our schools are taking every opportunity and focusing resources on getting students back on track, but improving student outcomes across the board is going to require efforts beyond what can happen in classroom instruction.

We also have to make it clear that while we are very intentional in using federal COVID-relief funding in ways that we believe will have the most impact on improving student outcomes, we have the potential of a funding cliff once this money is no longer available. We aim to get the most from this one-time funding while we have access to it, but needs will extend beyond the availability of COVID-relief dollars.

Community partnerships are critical for us to achieve our mission in view of the obstacles in place at this moment. This begins with funding initiatives and programs critical to our ability to deliver upon our promise. Of course, we must fund basic operations and make sure our facilities are worthy of the students who arrive in our buildings every day. We must have schools that are safe and healthy places for students to learn and staff to teach. We must have buses in good operating order and cafeterias able to help provide nutrition.

We also must do more. Our staff has worked for months to identify efficiencies and allocate resources in ways we believe will help our students and staff the most.

We propose significant investment in Multi-Tiered Systems of Support (MTSS), professional development, social and emotional learning staffing and curriculum, incentive pay for critical teaching shortages, and in college and career coaches and other supports for students to access and be successful in advanced coursework. Additionally, there are investments needed for our people. These include salary increases and an increase in the teacher local supplement that moves us to highest teacher pay in the state.

The aforementioned proposed investments – and our existing resources – have been reviewed in context of the goals and guardrails our Board adopted to foster improved academic outcomes. Throughout every step of the months-long process in which our team has participated to arrive at this recommendation, those goals and guardrails served as our focal point.

Also, while not necessarily aligned to the district's specific academic goals, we are proposing significant investments in our facilities, notably in areas such as preventive maintenance and indoor air quality improvements. This will help us create safe, optimal learning environments for our students.

But the needs are greater than ever before. The stakes are nothing short of the future of our community.

The choice is clear and also significant. Will our students and staff be funded at levels that will enable us to provide equity of opportunity? Will we be able to say to all our families that we are confident we can educate your students and prepare them not only to survive, but to thrive? Failure to step up is not an option we should risk. Our students must be prepared to succeed in college or career.

I am confident our community shares this priority, and that together we will provide a reminder that public education will be the critical driver of growth and prosperity here.

Sincerely,



Earnest Winston, Superintendent
Charlotte-Mecklenburg Schools



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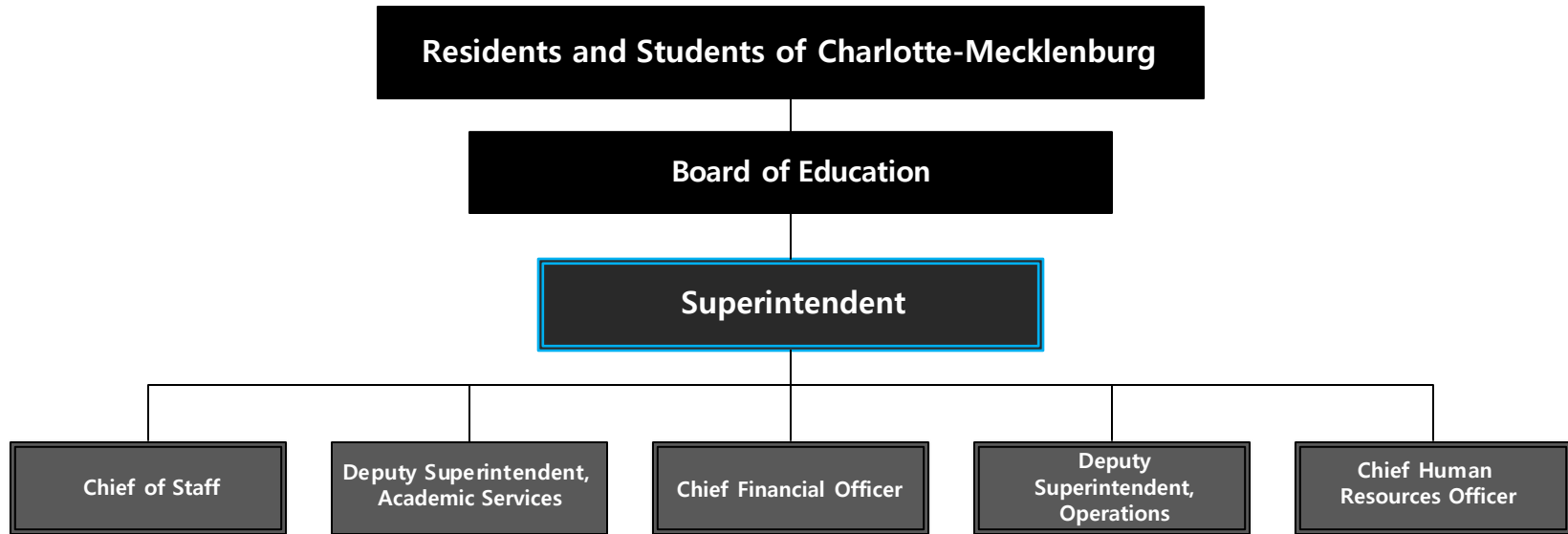
Board of Education Office

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Charlotte-Mecklenburg Schools

District Organization Chart

2021 – 2022





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VISION

The vision of Charlotte-Mecklenburg Schools is to lead the community in educational excellence, inspiring intellectual curiosity, creativity, and achievement so that all students reach their full potential.

MISSION

The mission of Charlotte-Mecklenburg Schools is to create an innovative, inclusive, student-centered environment that supports the development of independent learners.

CORE BELIEFS

We believe that:

- Public education is essential to democracy and necessary for economic opportunity, mobility and the broader public good.
- We are responsible for building and maintaining a high performing school district.
- Each student is uniquely capable and deserves an engaging, relevant, and challenging educational experience.
- Our principals and teachers make the critical difference in student achievement and building a positive school community.
- The school system, families and communities are necessary partners in ensuring the academic, social, emotional and behavioral success of our students.

Based on these Core Beliefs, we are committed to:

- Providing a clear Theory of Action and an effective Superintendent to lead its implementation.
- Ensuring that all students achieve their full potential.
- Ensuring that each student has an effective teacher.
- Ensuring that an effective principal leads every school.
- Giving all students access to a well-rounded, rigorous curriculum that is evidence-based and data-informed.
- Preparing all students to be successful in institutions of higher learning or the workforce.
- Creating safe and orderly working and learning environments.
- Securing and allocating the necessary resources to pursue our vision and mission.
- Operating effectively and efficiently with fiscal accountability.
- Embracing our community's diversity and using it to enhance the educational environment.
- Providing and encouraging engagement opportunities for all students' families.
- Partnering with community members to maximize student learning.

EXECUTIVE SUMMARY

The impact of the COVID-19 pandemic on public education is documented, and Charlotte-Mecklenburg Schools' students, families and staff have experienced particular hardships. As our community, our state, our nation and the world have learned more about mitigating risks associated with the virus, we approach the 2022-2023 school year with conditions shifting to one in which the disease is endemic and must be managed as an ongoing factor in our lives.

While we emerge from the acute phase of the risks of the COVID-19 virus itself, we enter this endemic phase understanding that many students have suffered educational setbacks during the past couple of years. Many of these students, particularly including large numbers of our historically underserved Black and Hispanic student populations, have seen outcomes reduced even further. We acknowledge this and are committed to bringing to bear all potential resources to resolve this crisis before it becomes too late for a generation of our students.

We know this is where we are and we know we must do better. We have a plan to do that.

We also know that we approach this crossroads moment for public education in our community with students, families and staff facing more pressure than at any point in recent memory from the social and emotional standpoint. Economic hardship, housing and food insecurity and many other challenges have been made worse during two years of COVID-19. Our students and staff need more support than ever before. If we cannot provide students and staff basic necessities such as safe places to learn and teach, in environments where they feel comfortable emotionally to enable them to focus on the tasks at hand, we cannot expect our efforts to improve outcomes to succeed.

This budget recommendation includes \$332 million in one-time federal funding to address some of the impacts of COVID-19 on our schools. District leaders have allocated funding in alignment with Board goals, emphasizing work toward mitigating unfinished instruction and focusing as precisely as possible on efforts that will have the most direct impacts on improving student outcomes. Our budget request for 2022-2023 takes into consideration where allocations of federal relief funding can be used to support and implement programs that benefit all our students, while also targeting additional support to students who attend the 42 schools defined as low-performing by the state of North Carolina.

With this said, the needs of CMS students, families and staff exceed our ability to adequately fund the programs necessary to support our effort to deliver on the goals and guardrails established by our Board of Education to lift our performance. We have identified areas where we can realign and reallocate personnel or monetary investment to offset requests for strategic investments aligned to the goals.

EXECUTIVE SUMMARY

The budget proposes investing \$66.8 million in current employees . This includes \$32.3 million for an average 2.7% increase for teachers, instructional support staff and assistant principals, and a 2.5% increase for principals and non-certified staff.

CMS also seeks increases in the local supplement for teachers and instructional support staff totaling \$7.9 million, and \$6 million to raise minimum pay to \$16.50 per hour for teacher assistants. There also are state-mandated increases in retirement and health insurance rates.

The operating budget proposal seeks \$579,017,308 from Mecklenburg County, an increase of \$41 million over the previous year. In addition, \$23 million is requested for capital needs. We are asking Mecklenburg County to provide support in the following areas:

- Move our teacher pay to the highest in the state by increasing the local supplement so we can attract teacher talent at the same levels we work to attract business leader talent
- Provide salary and benefit increases for all staff
- Open two new schools
- Properly maintain our facilities
- Cover the increase in charter school pass-through
- Support strategic investments that are not allowable or appropriate on COVID-related funding

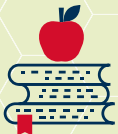
We are emerging from the pandemic facing once-in-a-lifetime challenges. We must have funding adequate to meet the extreme need, because the consequences of not stepping up at this time are nothing short of failing our students, families, staff and community when they need us most.

What Matters Most

GOALS



1. Every student graduates with meaningful employment or higher education opportunities.



2. Every student has access to a rich, diverse and rigorous curriculum.



3. Every student has access to more social and emotional support.

COMMITMENTS

EQUITY

Each student's needs may be different, but those needs should be met at every school in CMS.

CULTURE

Students, teachers, parents, families, staff, leaders and partners work together to achieve.



STRATEGY 1

FOCUS ON THE CORE



Students
How students participate in their education



Teachers
Knowledge and skill of the teachers



Content
Level and complexity of content students are asked to learn

ACTIONS



Guarantee a viable curriculum for every student.

A consistent K-12 curriculum supports clear expectations and outcomes.



Challenge students with rigorous tasks and work.

High expectations boost student achievement regardless of student background.



Teach students in ways that reflect their cultures, identities and experiences.

Students learn best when we meet them where they are in life through the work they do.



Increase social, emotional and mental health resources and access.

Students face enormous pressures today that can distract them from learning.

STRATEGY 2

MANAGE OUR PERFORMANCE



Build on strengths



Adapt new ways of working



Measure our progress

ACTIONS



Develop a performance management system.

We will improve overall performance when we are clear about what success looks like, how we work and measure progress.



Implement a continuous improvement program.

We can improve each year if we can adapt to improve based on shared plans, measurable outcomes and clear communications.

CMS 2024 Strategic Plan



Personalize learning for students.

Students learn in different ways and succeed when we build on their strengths.



Use interventions proven to work.

Opportunities for growth are lost when time is taken away from learning.



Put grade-level text at the center of teaching in every classroom.

Grade-level texts boost student achievement.



Support teachers with development equal to performance expectations.

Teachers must be equipped to meet students' varied needs to succeed.



Build a CMS culture of shared focus.

The work of every CMS team member affects teaching and learning.

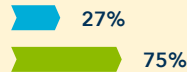
TARGETS ■ 2018 CURRENT ■ 2024 TARGET



Graduate 100% of students.



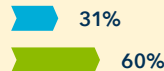
% of students graduate with their 4-year cohort



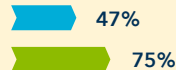
% of students graduate with at least one DPI endorsement



Increase access to rigorous coursework.



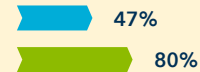
% of students completing Math 1 by the end of 8th grade



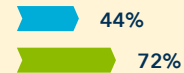
% of students completing at least one college level course



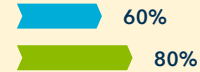
Cut achievement gaps of college and career readiness by at least half (50%) overall and for each sub-group.



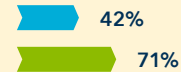
3rd Grade English/Language Arts



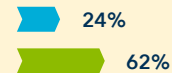
5th Grade English/Language Arts



5th Grade Math



8th Grade English/Language Arts



8th Grade Math



Create aligned work plans in every school and department.

We can drive collaboration with clear expectations, accountability and shared focus.



% of employees report highest job satisfaction



% of employees refer others to work at CMS

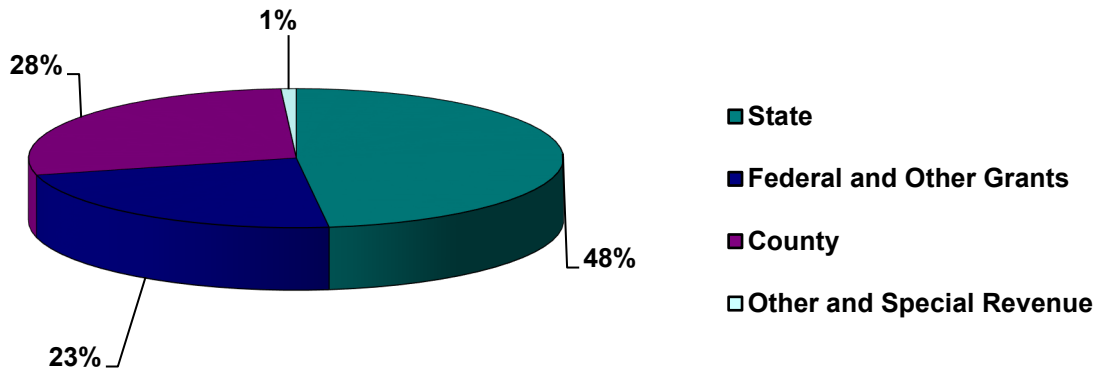


% of school-age children in Mecklenburg attend a CMS school

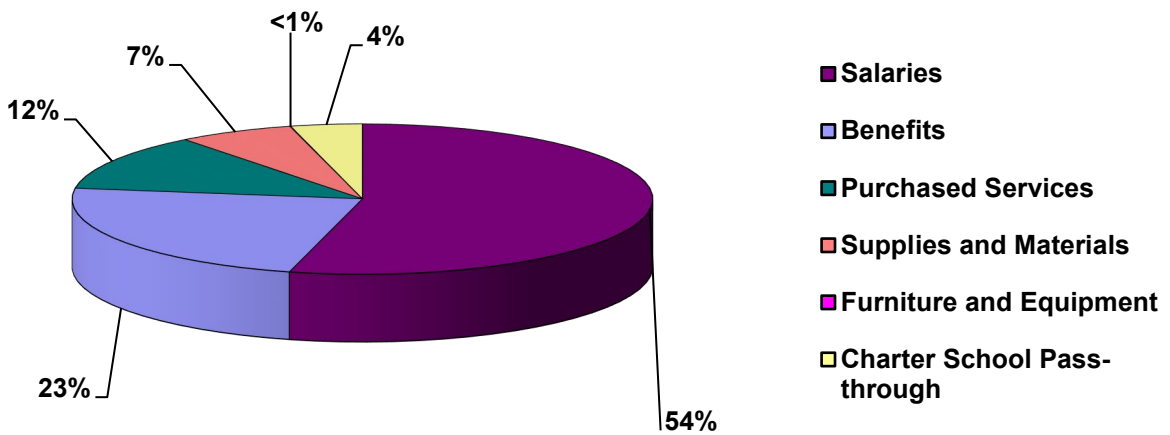
TARGETS ■ 2018 CURRENT ■ 2024 TARGET

2022-2023 PROPOSED BUDGET: SOURCES AND USES

Sources



Uses



**2022-23 PROPOSED CURRENT EXPENSE BUDGET:
COMPARISON TO PRIOR YEAR**

	2022-23 Proposed Budget	2021-22 Adopted Budget	% Change
REVENUES			
State of North Carolina	\$ 992,105,441	\$ 1,013,744,060	-2.1%
Federal and Other Grants	474,681,995	624,246,069	-24.0%
Mecklenburg County Appropriation	579,017,308	538,015,366	7.6%
Other and Special Revenue	19,097,693	18,309,261	4.3%
TOTAL REVENUES	<u>\$ 2,064,902,437</u>	<u>\$ 2,194,314,756</u>	-5.9%
EXPENDITURES			
Instructional			
Regular Instructional	887,186,204	911,678,610	-2.7%
Special Populations	228,091,527	216,648,295	5.3%
Alternative Programs and Services	223,988,879	296,670,511	-24.5%
Co-Curricular	6,755,658	6,928,670	-2.5%
School-Based Support	117,456,716	123,757,935	-5.1%
Total Instructional	1,463,478,984	1,555,684,021	-5.9%
Instructional Support			
Support and Development	14,362,240	14,968,291	-4.0%
Special Population Support and Development	4,397,725	4,459,426	-1.4%
Alternative Programs Support and Development	6,518,196	8,814,732	-26.1%
System-Wide Pupil Support	4,527,470	4,319,907	4.8%
Total Instructional Support	29,805,631	32,562,356	-8.5%
Operations			
Technology Support	20,556,437	22,045,888	-6.8%
Operational Support	289,068,983	287,298,782	0.6%
Financial and Human Resource Services	28,245,719	27,190,690	3.9%
Accountability	13,666,044	5,459,669	150.3%
Community Services	856,053	803,898	6.5%
Nutrition Services	1,752,859	4,107,512	-57.3%
Unbudgeted Funds	14,184,034	58,212,465	-75.6%
Other	11,485,081	13,012,233	-11.7%
Total Operations	379,815,211	418,131,137	-9.2%
Leadership			
Policy, Leadership and Public Relations	20,775,443	21,116,436	-1.6%
School Leadership Services	88,662,765	90,003,022	-1.5%
Total Leadership	109,438,208	111,119,458	-1.5%
Charter School Pass-through	82,364,404	76,817,784	7.2%
TOTAL EXPENDITURES	<u>\$ 2,064,902,437</u>	<u>\$ 2,194,314,756</u>	-5.9%

2022-23 Budget Process Calendar

Dec 3 -11 Multiple sessions via Zoom	Budget Kick Off Meetings with Fund Owners
Dec - Feb	Focus Area Teams Work Sessions
Feb 3 -18 Time TBD	Cabinet Strategy & Realignment Budget Work Session (Location TBD for each session)
Feb 15	Leadership Team Meeting – <i>budget update and feedback</i> (Virtual meeting format)
Feb 14 -18	Professional Organizations – <i>gather feedback</i>
Feb 24	Superintendent’s Teacher Advisory Council (STAC) – <i>budget update</i> (Virtual meeting format)
Feb 24 Time: 5:00 pm	Board of Education Budget Work Session
Feb 28 Time: 6:30 pm	Community Engagement Budget Session – <i>gather feedback</i> (Virtual meeting format)
Mar TBD	Principal’s Leadership Advisory Team (PLAT) – <i>budget update</i> (Virtual meeting format)
Mar 2 Time: 5:45 pm	Char-Meck Youth Council - <i>gather feedback</i> (Location TBD)
Mar 8 Time: 6:00 pm	Board of Education Budget Work Session Regularly scheduled Board meeting - Location CMGC
Mar 23 Time: 6:00 pm	Superintendent presents 2022-2023 Budget Recommendation (Virtual meeting format)
Mar 28 Time: 6:30pm	Community Budget Engagement Session (Virtual meeting format)
Mar 29 Time: 6:00 pm	Board of Education Budget Work Session Location - CMGC
Mar 31 Time: 6:30pm	Community Budget Engagement Session (Virtual meeting format)
Apr 5 Time: 6:00 pm	Public hearing on Superintendent’s budget recommendation/ Board of Education Budget Work Session Regularly scheduled Board meeting - Location CMGC
	<i>Note – Spring Break is April 11-15</i>
Apr 26 Time: 6:00 pm	Board of Education approval of 2022-2023 Budget Request Regularly scheduled Board meeting - Location CMGC

2022-23 Budget Process Calendar

May 10 Time: 2:30 pm	Board of Education's 2022-2023 Budget Request presentation to the Board of County Commissioners
May 19	County Manager's Recommended Operating and Capital Budgets presented to Board of County Commissioners (Location CMGC)
May 25	Public hearing on the Mecklenburg County budget (Location TBD)
June 22	Board of County Commissioners adopts 2022-2023 Operating Budget (Location CMGC)
TBD	2022-2023 Operating Budget finalized and approved by Board of Education

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Proposed Operating Budget

Proposed
Operating Budget



**2022-2023 PROPOSED CURRENT EXPENSE BUDGET:
SUMMARY OF CHANGES FROM 2021-2022 BASE BUDGET**

	State	County	Federal and Other Grants**	Other and Special Revenue	Total
2021-2022 ADOPTED BUDGET	\$ 1,013,744,060	\$ 538,015,366	\$ 624,246,069	\$ 18,309,261	\$ 2,194,314,756
REVISIONS TO 2021-2022 ADOPTED BUDGET					
Revisions to Base Budget*	(56,040,498)	-	(157,447,462)	(2,529,722)	(216,017,682)
Sub-Total	(56,040,498)	-	(157,447,462)	(2,529,722)	(216,017,682)
2021-2022 BASE BUDGET	957,703,562	538,015,366	466,798,607	15,779,539	1,978,297,074
I. SUSTAINING OPERATIONS					
A. Program Continuation	-	1,292,863	-	3,246,161 ^A	4,539,024
Sub-Total	-	1,292,863	-	3,246,161	4,539,024
II. INVESTING IN OUR EMPLOYEES					
A. Salaries and Benefits	34,089,214	24,738,268	7,883,388	71,993	66,782,863
Sub-Total	34,089,214	24,738,268	7,883,388	71,993	66,782,863
III. STUDENT GROWTH AND ADDITIONAL SPACE					
A. Enrollment Growth		5,546,620			5,546,620
B. Additional Facility Space	312,665	4,558,763	-	-	4,871,428
Sub-Total	312,665	10,105,383	-	-	10,418,048
IV. PROGRAM EXPANSION AND NEW INITIATIVES					
A. Preventive Maintenance and Indoor Air Quality Initiatives***		5,000,000	11,420,000		16,420,000
B. New Early College High School		400,000			400,000
C. Teacher Professional Development and Support***		405,866	1,761,220		2,167,086
D. English Learners (EL) Support		2,704,959			2,704,959
E. Personalized Academic Command of English (PACE) Global Academy		1,060,000			1,060,000
F. Student Wellness and Academic Support***		1,702,900	630,000		2,332,900
G. Family Connect Tool ***			1,600,000		1,600,000
H. Critical Shortage Pay and Incentives- Math, Science and EC			7,315,486		7,315,486
I. College and Career Coaches***			1,561,190		1,561,190
J. Instructional Leader Professional Development***			3,000,000		3,000,000
K. Multi-tiered System of Support (MTSS)***			14,335,012		14,335,012
Realignment of Existing Resources to Strategic New Initiatives	-	(6,408,297)	(41,622,908)	-	(48,031,205)
Sub-Total	-	4,865,428	-	-	4,865,428
TOTAL 2022-2023 PROPOSED CURRENT EXPENSE BUDGET	\$ 992,105,441	\$ 579,017,308	\$ 474,681,995	\$ 19,097,693	\$ 2,064,902,437

* Includes reduction of one-time bonuses, state revisions, impact of hold harmless provision expiration, reduction for prior year one-time fund balance appropriation and anticipated revenue adjustments to 2021-2022 Adopted Budget.

** Temporary federal relief funding including CARES Act 2020, GEER, CRSSA, ESSER and ARP carried over from fiscal year 2021-2022 is reflected in the federal base budget (\$332M).

*** In some cases, the Federal funding amount represents the allocation of temporary COVID related funding for two years since grants are multi-year.

A Includes a one-time fund balance appropriation of \$3.2 million for magnet shuttle stops.

I. Sustaining Operations

Change Reference: I.A.

Explanation of Change	Description	State Cost	Local Cost	Federal Cost
A. <u>Program Continuation</u>				
1. <u>School Resource Officer</u>				
School Resource Officers (SROs) are provided via contracts with the city of Charlotte and surrounding municipalities. As recruitment and retention of officers continues to be a challenge, the cost for the officers is increasing. In addition, we will add one officer for a new high school opening in Charlotte and also add two additional officers and a sergeant for existing schools in Huntersville. Therefore, funding is requested to cover the projected rate increases and the additional officers.	Salaries & Benefits		683,698	
2. <u>School-Based Mental Health and Department of Social Services Staffing</u>				
The School-Based Mental Health (SBMH) program currently serves 131 schools. Over 1,600 students were served in the 2020-21 school year. The program is available in all Title I schools, and provides specialized supports at Turning Point Academy. By placing the program in schools, the barriers faced by many low income families (time, transportation, funding) are removed. Additionally, there is increased ability for the therapist and school staff to collaborate to address student needs by placing the services at the school site.	Salaries & Benefits		<u>609,165</u>	
<p>This program works in support of the district's continuum of services; furthermore, under the new state school mental health improvement plan, the state expects districts to collaborate with community providers to meet the mental health needs of students. The CMS program is viewed as a model by the state. However, the program cannot function without dedicated management. The Substance Abuse Mental Health manager supervises the substance abuse counselor team, manages the CMS partnership with seven community mental health agencies, oversees the SBMH program referrals, allocates grant funding to students based on clinical and financial need, and actively works to grow and innovate the program so that its reach is continually broadened.</p> <p>Student Assistance Program (SAP) counselors have been a part of CMS staff since 2014. Three of the six SAP counselor positions as well as a program manager have been previously funded by the county via a cost reimbursement contract. The demand for substance abuse counseling services has increased significantly since the full return to in-person learning in 2021-22 and is on pace for 1500 referrals this year. Department of Social Services (DSS) liaisons primarily serve students in foster care and students at risk of entering the DSS system. CMS currently employs four DSS liaisons, of which two have been previously funded by the county via a cost reimbursement contract. The county has requested that these positions now be included as part of our operating budget. Funding is requested for the SBMH manager, three SAP counselors and two DSS liaison positions to continue the work previously funded through the cost reimbursement arrangement.</p>				
Total Program Continuation		-	<u>1,292,863</u>	-

II. Investing In Our Employees

Change Reference: II.A.

Explanation of Change	Description	State Cost	Local Cost	Federal Cost
A. Salaries and Benefits				
1. Salary Increase				
It is anticipated that the state will provide an average increase of 2.7% for teachers, assistant principals and other certified staff; 2.5% for principals and 2.5% for non-certified staff. The state will provide funding to cover these increases for state paid staff; therefore, local funding is requested to provide an equitable salary increase to all locally paid staff.		21,194,062	6,372,739	4,717,355
2. Market Study Pay Increase - Teacher Assistants				
Teacher Assistants are one of the lowest paid positions in the district and directly serve students throughout the entire instructional day. They provide supplemental, individual, and small group academic support to students. This position is often the career path to full-time teaching positions, which are experiencing severe shortages nationwide. In addition, CMS is experiencing high vacancy levels within the teacher assistant ranks in both Exceptional Children and general education classrooms. Recruitment and retention of this important position within CMS is impacted by relatively low pay as compared to the market rate, the impact of the pandemic on careers in education and people seeking other careers, and higher paying entry-level jobs in other industries. This increase is intended as one way to address adequate staffing of academic support positions to improve student outcomes and to develop adequate and diverse teacher pipelines to increase the number of teachers in classrooms. Funding is requested to provide \$1.50/hour increase to the current minimum wage, increasing it from \$15 to \$16.50hr.	Salaries & Benefits		6,022,622	
3. Local (County) Teacher Supplement Increase				
Recruiting and retaining highly qualified teachers continues to be a key priority for the district. In order to remain competitive with other North Carolina school districts and to improve our ability to attract high quality teachers, the local supplement needs to be increased. The full cost to increase the supplement by 10% is \$11.2 million; however, the full cost is being offset by savings in the local supplement budget as a result of fewer state paid teachers next year. Funds are requested to increase the local teacher supplement by 10%.			7,876,331	
4. Health Insurance Rate Increase				
It is estimated that the employer-paid portion of the state health insurance rate will increase from \$7.019 to \$7,397 annually, which represents a five percent increase. The state will make the appropriate state budget adjustments to cover this increase for state paid staff; however, local funding is needed to cover the estimated increase for locally paid staff.	Salaries & Benefits	5,112,161	1,131,641	766,523

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
2022-23 PROPOSED PROGRAM CHANGES

II. Investing In Our Employees

Change Reference: II.A.

Explanation of Change	Description	State Cost	Local Cost	Federal Cost
5. Retirement Rate Increase				
The employer-paid portion of the state retirement plan rate is slated to increase from 22.89% to 24.19% of eligible earnings. The state will provide funding for the state paid staff. Funding is requested to cover this increase for locally funded positions.	Salaries & Benefits	<u>7,782,991</u>	<u>3,334,935</u>	<u>2,471,503</u>
Total Investing In Our Employees		<u>34,089,214</u>	<u>24,738,268</u>	<u>7,955,381</u>

III. Student Growth and Additional Space

Change Reference: III. A.

Explanation of Change	Description	State Cost	Local Cost	Federal Cost
A. Enrollment Growth				
1. Charter School Enrollment Growth				
Based on the projected increase in charter school student enrollment, funding is included to increase our charter school pass-through budget so we can meet our statutory obligation to fund charter schools. Charter-school enrollment of Mecklenburg County students is expected to increase by 1,563 students.	Other	<u>-</u>	<u>5,546,620</u>	<u>-</u>
Total Student Enrollment Growth		<u>-</u>	<u>5,546,620</u>	<u>-</u>

III. B. Student Growth and Additional Space

Change Reference: III. B.

Explanation of Change	Description	State Cost	Local Cost	Federal Cost
B. Additional Facility Space				
1. Staffing Two New Schools				
Additional staffing is required to provide instruction and support services at one new high school and one new elementary school. Funding is requested to cover the salaries and benefits for this staff. This request also includes the local supplement for state and locally paid positions. Estimated additional positions are as follows:	Salaries & Benefits	312,665	1,060,512	
		<u>State</u>	<u>Local</u>	
Principal		2.0		
Assistant Principal			3.0	
Media Coordinator			2.0	
Literacy Facilitator			1.0	
Instructional Account Facilitator (IAF)			1.0	
Secretaries		-	<u>7.0</u>	
Total		2.0	14.0	
2. Maintenance and Operating Costs for All Additional Space				
The opening of one high school, one elementary school, three replacement schools, and major facility renovations coming on line will result in the addition of 692,723 total square feet in our facilities. In order to properly maintain this additional square footage, funds are required at a minimum of \$5.05 per sq. ft. to cover staffing, utilities, and contracted services.	Salaries & Benefits		1,763,004	
	Utilities		855,852	
	Contracted Services	-	<u>879,395</u>	-
		<u>State</u>	<u>Local</u>	
Area Operations Supervisor			1.0	
Custodian Head I			1.0	
Custodian Head III			1.0	
Custodian			17.0	
HVAC Mechanic I			6.0	
HVAC Mechanic II			1.0	
Welder			1.0	
Small Engine Service Mechanic			1.0	
Logistics & Distribution Specialist			<u>1.0</u>	
Total		-	30.0	
Total Maintenance and Operating Costs				
Total Additional Space		<u>-</u>	<u>4,558,763</u>	<u>-</u>

IV. Program Expansion and New Initiatives

Change Reference: IV.A.

Explanation of Change	Description	State Cost	Local Cost	Federal Cost
A. Preventative Maintenance & Indoor Air Quality Initiatives				
<p>Preventive Maintenance (PM) is the foundation for effectively managing the assets in our facilities. A good PM program ensures that equipment and systems perform reliably and efficiently to obtain their anticipated longevity. Preventive maintenance aims to maintain equipment in optimal condition, reduce the risk of system breakdowns and emergency repairs, and minimize the operating costs. As the name implies, PM work is carried out on a schedule before failure occurs thereby extending the life and performance of equipment and avoiding breakdowns that often have a direct and significant impact on the achievement of students and the effectiveness of teachers.</p> <p>Funding is requested to cover expenses associated with maintaining various building components such as HVAC, hood inspections, fire extinguishers, camera repair/maintenance, generator maintenance, sprinkler systems, fire alarms, swimming pools, and fire ant treatments.</p> <p>Indoor air quality improvements will reduce the spread of COVID-19. The indoor air quality improvements include continued HVAC Optimization and Needle-Point Bipolar Ionization. It also includes the replacement of outdated and obsolete exhaust fans, chillers, boilers, and unit ventilators in schools where they are needed. Federal COVID funding will be allocated to cover these necessary improvements.</p>	Purchased Services		5,000,000	11,420,000

Change Reference: IV.B.

Explanation of Change	Description	State Cost	Local Cost	Federal Cost
B. New Early College High School				
<p>CMS currently operates two early college high schools in partnership with UNC Charlotte and four middle college high schools with Central Piedmont Community College (CPCC). The proposed early college will be the district's first in partnership with CPCC. Adding a new early college high school on CPCC's central campus increases access to and preparation for college level courses. Students in middle and early colleges are expected to take a course load comprised primarily of college level courses by the 11th grade. Funding is being realigned to cover the cost of student fees, supplies and materials in preparation for this school opening in fall 2023.</p>	Supplies and Materials		400,000	

IV. Program Expansion and New Initiatives

[Change Reference: IV.C.](#)

Explanation of Change	Description	State Cost	Local Cost	Federal Cost
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C. Teacher Professional Development and Support

Teachers need support with obtaining required licensure. Improving pass rates of Praxis exams in order for teachers to qualify for licensure as early as possible in their tenure at CMS supports the goal of decreasing the percentage of teachers teaching out of certification. New and alternative licensure teachers often struggle to pass these exams, particularly in the area of math on the elementary exams, as well as middle grade English and others. To support success, CMS will provide teachers access to online state exam prep courses. These courses will be developed by current CMS teachers who experienced high levels of success with their own content area exams. Funding is being realigned to provide these experienced teachers access to the Praxis tool that will allow test development, monitoring, revision for three years, and development of up to five additional courses.

Supplies and Materials

405,866

1,761,220

Teachers also need support with professional development. CMS currently has 78 schools participating in the Teacher Leader Pathway (TLP) with seven additional schools expected to be added in fiscal year 2022-23. Schools participating in the program think strategically and innovatively about how to optimally organize their resources—time, people, and money. Participating schools see an increase in the number of students receiving instruction from an great teacher and are seeing benefits of increased student achievement and teacher capacity. TLP staff provides professional development for TLP school-based positions, manage the TLP talent pools by screening applicants, assist schools with designing staffing plans, and monitor schools throughout the year via check-ins with principals to ensure the positions are being used with fidelity. Funding is being realigned to provide salaries and benefits for one program manager and two specialist positions.

Finally, High School Math and Foundations of Math I curriculums need to be updated and revised. In addition, CMS will provide professional development events over the summer for 5th grade math teachers to target standards that impact student readiness for Math I. Federal funding is being allocated to cover expenses associated with professional development, writing and revising the Math I curriculum.

IV. Program Expansion and New Initiatives

Change Reference: IV.D.

Explanation of Change	Description	State Cost	Local Cost	Federal Cost
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D. English Learners Support

Charlotte-Mecklenburg Schools currently has 47,396 language minority students. Of this group, 23,808 students qualify for English Learner (EL) services. This subgroup has consistently grown larger year after year.

Salaries & Benefits

2,704,959

On average, K-12 EL teachers have a caseload of 72 EL students. K-5 schools with at least one full time teacher allotment, have an average teacher to student ratio of 1:83. This specific subgroup of students needs a tremendous amount of support, as they have needs that go beyond the classroom. The increased number of EL teachers will improve our teacher to student ratio and allow our EL students to receive more targeted and integrated instruction. By adding more EL teachers, CMS will be able to strengthen the instructional core by increasing the level and complexity of content, build the knowledge and skill of teachers, and increase student engagement as independent learners. Funding is being realigned to cover the salaries and benefits for 32 EL teacher positions.

*Source: CMS Navigator Portal as of March 21, 2022

IV. Program Expansion and New Initiatives

[Change Reference: IV.E.](#)

Explanation of Change	Description	State Cost	Local Cost	Federal Cost
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E. Personalized Academic Command of English Global Academy

	Supplies and Materials		1,060,000	
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CMS is proud of its diverse student body representing 175 different countries and various cultural and ethnic backgrounds. CMS' students speak about 204 different languages, as of the October 1, 2021 English Learner (EL) headcount. While CMS is the second largest public school system in NC, CMS has the largest EL enrollment. Personalized Academic Command of English (PACE) Global Academy projects build upon a strong track record of success with high levels of student growth for ELs and address a unique need presented by our increasing newcomer population.

This proposal is for the creation of an international/global academy or international/global high school as a way to improve the achievement, graduation rates and college and career readiness of a growing segment of the CMS population. This will be implemented using key elements of nation-wide innovative instruction, teacher recruitment, and professional development approaches.

As a unique feature of this program, it is recommended the program offer hours of service beyond and outside of the traditional school day. During the school year, student perception data collected from high school ELs in CMS who experienced chronic absenteeism, indicated that they would like to go to school during different hours, such as an evening school. The students also indicated they might attend more regularly if they felt an attachment to the school. Most notably, 100% of the students surveyed said they want to earn a high school diploma.

The overarching goal of this work is to improve achievement and college readiness of immigrant and refugee English Learners as a district-wide strategy and to build further capacity within the high school setting to improve services for their English Learners. Funding is being realigned to establish this program in preparation for opening in fall 2023.

IV. Program Expansion and New Initiatives

Change Reference: IV.F.

Explanation of Change	Description	State Cost	Local Cost	Federal Cost
F. <u>Student Wellness and Academic Support</u>				
	Salaries & Benefits		1,627,900	630,000

There are ongoing calls to reduce student to student services staff ratios across the district, state, and nation. In partnership with the county, CMS has been actively working to address this need since approximately 2016. The chart below shows our progress relative to the ratios recommended by each discipline's national organization for optimal impact. Note that 2020-21 ratios dropped due to a combination of added positions and enrollment declines.

Nationally, there is a shortage of school psychologists. The state and district are undertaking special efforts to improve recruitment. In light of the need to improve ratios across all disciplines, coupled with school psychologist shortages and existing vacancies, we are realigning funding to cover the salaries and benefits for 10 social workers, 3 counselors, 5 behavior interventionist counselors and 2 psychologist. Additionally, federal funding has been allocated to support the effective implementation the High School Social and Emotional Learning curriculum and associated professional development initiatives.

	<u>State</u>	<u>Local</u>
Social Workers		10.0
School Counselors		3.0
Behavior Intervention Counselors		5.0
School Psychologists		2.0
Total	-	20.0

Job Title	2020-21	2021-22	2022-23*	National Recommended
School Counselor ratio	1:307	1:296	1:292	1:250
School Social Worker ratio	1:1321	1:1097	1:1022	1:250
School Psychologist ratio	1:1444	1:1377	1:1355	1:700
Student Enrollment	140,073	140,406	140,967	

* Estimate

CMS currently uses several tools district-wide to support counseling and advising. Many students enter high school without a sense for the courses and experiences they most need over the next four years to position them for college and career success. Implementing a course planner software will empower students by helping them explore and articulate their postsecondary goals, plan a 4-year high school experience and track progress throughout the course of their high school years. Funding is being realigned to purchase this course planning tool.

Contracted Services 75,000

IV. Program Expansion and New Initiatives

Change Reference: IV.G.

Explanation of Change	Description	State Cost	Local Cost	Federal Cost
G. <u>Family Connect Tool</u>				
Engagement of families is key to addressing learning loss and increasing student achievement. The current district communication tool is inadequate for the needs of the families we serve. The district is in need of a family-school communication system that allows for two-way communication, is multifaceted, multilingual, and allows for timely communication in an effective and efficient way. By implementing a new district-wide communication tool, CMS will be able to centralize communications and provide equitable family-school communications across the district. Federal funding is being allocated for the purchase of a district-wide communication tool.	Purchased Services		-	1,600,000

Change Reference: IV.H.

Explanation of Change	Description	State Cost	Local Cost	Federal Cost
H. <u>Critical Shortage Pay and Incentives</u>				
Nationwide, there is a critical shortage of Exceptional Children (EC) teachers, secondary math teachers, and secondary science teachers. We see this reflected in CMS with higher vacancies in these areas than in others. As a way to attract and retain qualified teachers in these areas, federal funding is being allocated to provide a \$200 monthly stipend to all EC, secondary math and secondary science teachers for the 2022-23 school year and to provide a \$2,500 recruitment bonus for new hires.	Contracted Services		-	7,315,486

Change Reference: IV.I.

Explanation of Change	Description	State Cost	Local Cost	Federal Cost
I. <u>College and Career Coaches</u>				
To effectively support high school students' access to and support in advanced coursework, there must be coordination at the school level between the various individuals that support students in these areas. A College and Career Coach deployed by the Learning Community will support school-based personnel to coordinate systems to drive improvements in access to and success in college level coursework. Each College & Career Coach will support 4-5 schools and help them to develop and execute their local plan to build on the Equal Opportunity Schools work and advance student achievement in college-level courses and related North Carolina Department of Public Instruction (NCDPI) graduation endorsements. Federal funding is being allocated to cover the salaries and benefits for six positions.	Salaries and Benefits			1,561,190

IV. Program Expansion and New Initiatives

Change Reference: IV.J.

Explanation of Change	Description	State Cost	Local Cost	Federal Cost
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J. Instructional Leader Professional Development

<p>School-based instructional leaders (facilitators, coaches, Teacher Leader Pathway positions) provide the coaching needed for teachers to be able to apply learning received from a professional development experience to the classroom. These instructional leaders need deep transformative learning experiences to equip them to successfully do this vital work.</p>	<p>Contracted Services</p>			<p>3,000,000</p>
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CMS plans to host a summer leadership conference and monthly leadership classes during the school year for school-based instructional leaders to strengthen implementation of standards-aligned rigorous curriculum in Math & English / Language Arts. Federal funding is being allocated to contract with expert facilitators to lead professional development, providing materials. Funds may also be used for substitutes for teacher leaders and/or stipends for summer professional development.

Change Reference: IV.K.

Explanation of Change	Description	State Cost	Local Cost	Federal Cost
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K. Multi-tiered System of Support

<p>Multi-tiered System of Support (MTSS) is a framework used for targeted support to struggling students. MTSS is also designed to help schools identify struggling students early and intervene quickly with supports for academic growth, behavior, social and emotional needs, and absenteeism.</p>	<p>Salaries and Benefits</p>		<p>-</p>	<p>14,335,012</p>
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Currently, MTSS work is primarily performed by Academic Interventionists. They directly fill the service gap between the number of students who need academic interventions and the number of students receiving services. MTSS Academic Interventionist provide direct learning support and progress monitoring for students who need support in reading and math.

Federal funding is being allocated to cover the salaries and benefits for 50 interventionists.

Total Program Expansion and New Initiatives		<p>-</p>	<p>11,273,725</p>	<p>41,622,908</p>
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Realignment of Existing Resources to Strategic New Initiatives

Throughout the budget development process, our guiding principles and team discussions were focused on ensuring the alignment of resources to our highest priority areas that would push us towards the achievement of the four goals and guardrail targets established by the Board of Education. As we identified new or expanded initiatives for the next school year, we recognized the need to identify those investments of time and money we would need to reduce (do less of) or discontinue so those resources could be realigned to higher priority areas. Reductions and resource realignments were made across all departments toward this end. Some of those are highlighted below.

Unbudgeted		(41,622,908)
Salaries and Benefits	(3,106,139)	
Purchased Services	(1,664,829)	
Supplies and Materials	(1,637,329)	

Central office positions were eliminated where duties could be absorbed by other staff members or realigned to other roles. Some trade positions (i.e. roofers) have been difficult to fill for an extended period, so positions in that category have been reduced. In other trade areas (i.e. carpenters, painters), a few vacant positions were eliminated and these teams will receive professional development specific to work order efficiency and analysis and be provided tools to ensure the efficiency of effort/reduction in time spent on specific jobs is realized.

To decrease custodial overtime, Building Services implemented a new virtual recruitment strategy that reduced the time required to recruit and hire for custodial positions. The virtual career fair improved recruitment by allowing CMS to host multiple events vs one in-person event and provided greater access to more candidates.

Additionally, sixteen teacher positions previously used to cover unique, one-time situations (i.e. unexpected growth in a school after annual leveling process, teacher on extended leave with pay) were realigned to offset the increase in English Learner teachers. Extended employment and contracted service funds typically used for curricular updates will be reduced to focus only on goal-related revisions in target grade levels and content areas.

Professional development offered for teachers, instructional leaders and school leaders will be narrowed to focus primarily on goal-related content and grade spans as well as new curriculum implementation (English II only). We are reducing contracted services for nursing services anticipating that some services will decline with the changing threat level of Covid-19.

Given the improved efficiencies provided by the use of electronic processes and documents, reductions were made to office supplies and printing. Food purchases for truancy court was also eliminated. In addition, computer equipment was reduced given the significant investments made in the past few years in computer devices.

Two Student Assignment and School Choice positions were realigned to create a two new positions for a MTSS-Director and an Executive Director of Pathways to College and Career. The MTSS Director will lead the district's work related to ensuring students receive supplemental instruction and intensive intervention as needed. The Executive Director of Pathways to College and Career will oversee and manage the district's efforts related to ensuring students graduate high school with a North Carolina Department of Public Instruction (NCDPI) endorsement, have passed at least one college level course, and are prepared to take action on a viable postsecondary plan.

Total Reductions/Redirections

-	<u>(6,408,297)</u>	<u>(41,622,908)</u>
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**2022-23 PROPOSED CURRENT EXPENSE BUDGET:
DEPARTMENTAL BUDGETS BY FUNDING SOURCE**

DIVISION	STATE	COUNTY	FEDERAL/ SPECIAL REVENUE/ OTHER	TOTAL
ADMINISTRATIVE & OTHER SERVICES				
Office of the Superintendent of Schools	206,602	528,491	-	735,093
Office of General Counsel and Board Services	-	3,794,615	-	3,794,615
Office of Compliance and Transparency	-	365,596	-	365,596
Financial Services	314,847	11,018,909	2,004,919	13,338,675
Chief of Staff	154,695	1,168,401	-	1,323,096
Community Relations & Engagement, Ombudsman	308,104	1,712,488	1,899,513	3,920,105
Communications Services	-	2,345,774	-	2,345,774
Human Resources Services	527,647	12,463,695	12,208,347	25,199,689
CMS Police Department	14,274,962	3,875,894	-	18,150,856
Technology Services	5,778,172	16,270,461	635,761	22,684,394
Subtotal	21,565,029	53,544,324	16,748,540	91,857,893
OPERATIONAL SERVICES				
Deputy Superintendent of Operations	154,695	583,289	-	737,984
Graphic Production Center	-	1,045,562	-	1,045,562
Building Services	24,478,713	82,116,458	22,535,853	129,131,024
Inventory Management	18,574,617	5,490,744	506,071	24,571,432
Safety, Environmental Health & Risk Management	598,708	1,257,864	-	1,856,572
Transportation	69,462,710	11,559,110	3,350,727	84,372,547
Community Use of Facilities	-	-	585,134	585,134
Enterprise Funds Program Support	46,587	-	255,000	301,587
Subtotal	113,316,030	102,053,027	27,232,785	242,601,842
LEARNING SERVICES				
Academic Services	5,095,737	2,179,386	14,251,730	21,526,853
Department of Educational Leadership	-	957,184	912,884	1,870,068
Office of Equity and School Performance	-	1,253,838	451,226	1,705,064
Equity Services	446,961	1,047,134	350,000	1,844,095
Learning and Teaching PreK-5	-	240,927	-	240,927
Elementary Curriculum	-	747,198	422,008	1,169,206
K-12 Literacy	2,395,133	665,120	63,706	3,123,959
North Carolina Pre-K Program	-	-	16,269,527	16,269,527
Bright Beginnings Pre-K Program	-	13,419,725	16,093,830	29,513,555
Learning and Teaching 6-12	-	420,824	-	420,824
Secondary Curriculum	-	2,496,879	1,793,328	4,290,207
Advanced Studies	7,872,883	3,308,909	697,386	11,879,178

**2022-23 PROPOSED CURRENT EXPENSE BUDGET:
DEPARTMENTAL BUDGETS BY FUNDING SOURCE**

DIVISION	STATE	COUNTY	FEDERAL/ SPECIAL REVENUE/ OTHER	TOTAL
LEARNING SERVICES (continued)				
Virtual Learning and Media Services	139,370	980,145	-	1,119,515
Drivers Education	3,049,499	2,049	-	3,051,548
Fine Arts	-	1,264,559	250,000	1,514,559
Learning Communities	971,499	3,553,221	790,990	5,315,710
Federal Programs	-	-	298,268,593	298,268,593
Exceptional Children Services	94,163,691	11,960,846	61,503,430	167,627,967
Student Wellness & Academic Support	2,885,130	5,281,158	23,406,286	31,572,574
English Learner Services	23,439,556	14,735,330	4,509,487	42,684,373
Athletics, Health, and Physical Education	-	5,245,782	1,662,607	6,908,389
Student Discipline & Behavior Support	1,485,951	1,089,548	1,051,089	3,626,588
Student Records, Placement, and Planning Services	-	1,795,390	-	1,795,390
Accountability Services	1,039,300	4,183,337	1,553,937	6,776,574
Student Assignment and School Choice	1,134,623	893,667	-	2,028,290
Career and Technical Education	51,487,816	9,101,554	2,220,553	62,809,923
ROTC Program	-	4,129,422	1,850,074	5,979,496
Subtotal	195,607,148	90,953,132	448,372,671	734,932,950
SCHOOL PERFORMANCE SERVICES				
SCHOOLS DIVISION				
School Admin. Support Services	81,851,478	65,388,288	1,425,692	148,665,458
Classroom Teachers	500,802,884	140,061,553	-	640,864,437
Support Positions	49,995,893	30,010,645	-	80,006,538
Assistants	28,966,979	14,641,935	-	43,608,914
Charter School Pass-through	-	82,364,404	-	82,364,404
Subtotal	661,617,234	332,466,825	1,425,692	995,509,751
TOTAL	\$ 992,105,441	\$ 579,017,308	\$ 493,779,688	\$ 2,064,902,437

**2022-23 PROPOSED REVENUE BUDGET:
REVENUE CATEGORIES BY FUNDING SOURCE**

REVENUE CATEGORY	STATE	COUNTY	FEDERAL/ SPECIAL REVENUE/ OTHER	TOTAL
Classroom Teachers	\$ 476,509,511	\$ -	\$ -	\$ 476,509,511
Central Office Administration	3,388,644	-	-	3,388,644
Non-Instructional Support Personnel	46,088,936	-	-	46,088,936 *
K-5 Program Enhancement	25,516,061	-	-	25,516,061
School Building Administration	34,916,051	-	-	34,916,051
School Psychologist	3,587,373	-	-	3,587,373
Instructional Support Personnel - Certified	53,502,681	-	-	53,502,681
Non-Contributory Employee Benefits	7,727,237	-	-	7,727,237
Driver Training	3,049,499	-	-	3,049,499
Career & Technical Ed. - Months of Employment	49,385,485	-	-	49,385,485
Career & Technical Ed. - Program Support	2,102,331	-	-	2,102,331
School Technology Fund	3,368,081	-	-	3,368,081
Summer Reading Camps	3,453,615	-	-	3,453,615
Advanced Teaching Roles	77,772	-	-	77,772
Disadvantaged Student Supplemental Funding	5,862,313	-	-	5,862,313
Teacher Assistants	40,762,032	-	-	40,762,032
Behavioral Support	332,802	-	-	332,802
Children with Disabilities	70,886,043	-	-	70,886,043
Academically/Intellectually Gifted	8,449,146	-	-	8,449,146
Limited English Proficiency	22,477,533	-	-	22,477,533
High School Learn and Earn	900,000	-	-	900,000
Transportation of Pupils	67,111,278	-	-	67,111,278
Classroom Materials/Supplies	310,619	-	-	310,619 *
Children w/Special Needs	1,401,148	-	-	1,401,148
Assistant Principal Interns	62,952	-	-	62,952
Assistant Principal Intern - MSA Student	245,797	-	-	245,797
At-Risk/Alternative Schools	32,787,188	-	-	32,787,188
School Connectivity	1,486,390	-	-	1,486,390
Ed Workforce and Innovation Program	120,000	-	-	120,000
Early Grade Reading Proficiency	3,119,655	-	-	3,119,655
Special Position Allotment	130,592	-	-	130,592
State Textbook Allotment	11,194,279	-	-	11,194,279 *
Textbook and Digital Resources	7,752,446	-	-	7,752,446 *
Modernization	4,039,953	-	-	4,039,953
Mecklenburg County		579,017,308	-	579,017,308
Career & Technical Ed. - Program Improvement		-	2,220,553	2,220,553
McKinney-Vento Homeless		-	127,361	127,361
IDEA VI-B - Preschool Handicapped		-	932,087	932,087
ESEA Title I - Basic		-	52,062,078	52,062,078
North Carolina Pre-K		-	16,269,527	16,269,527
IDEA Title VI-B		-	37,554,035	37,554,035
IDEA Early Intervening Services (EIS)		-	532,059	532,059
IDEA VI B - Special Education State Improvement Grant		-	8,864	8,864
IDEA VI B – Children with Disabilities		-	269,886	269,886
ESEA Title I-School Improvement-Targeted Support and		-	1,697,415	1,697,415
IDEA VI-B Special Needs		-	25,172	25,172
IDEA Preschool Targeted Assistance		-	39,184	39,184
Title II - Improving Teacher Quality		-	7,283,962	7,283,962
Title III - Language Acquisition		-	4,016,963	4,016,963
Title III - Language Acquisition Significant Increase		-	271,000	271,000

**2022-23 PROPOSED REVENUE BUDGET:
REVENUE CATEGORIES BY FUNDING SOURCE**

REVENUE CATEGORY	STATE	COUNTY	FEDERAL/ SPECIAL REVENUE/ OTHER	TOTAL
Title I - School Improvement	-	-	3,497,558	3,497,558
Title VII – Indian Education Grant	-	-	15,227	15,227
ESEA Title IV - Student Supp. & Acad. Enrichment	-	-	4,183,559	4,183,559
CARES ACT 2020	-	-	521,811	521,811
GEER-Supplemental Instructional Services	-	-	526,448	526,448
K-12 EMERGENCY RELIEF FUND – ESSER II	-	-	72,341,959	72,341,959
CRRSA ESSER II - Supplemental Contracted Instr Support	-	-	710,686	710,686
CRRSA ESSER II - School Nutrition	-	-	285,537	285,537
CRRSA ESSER II - Learning Loss Funding	-	-	4,068,375	4,068,375
CRRSA ESSER II - Summer Career Accelerator Program	-	-	2,624,883	2,624,883
CRRSA ESSER II - Competency-based Assessment	-	-	861,429	861,429
ARP – ESSER III - American Rescue Plan	-	-	234,590,453	234,590,453
ARP – ESSER III – HOMELESS I	-	-	100,000	100,000
ARP – ESSER III – HOMELESS II	-	-	1,321,955	1,321,955
ARP - IDEA Section 611 Grants to States	-	-	11,331,621	11,331,621
ARP - IDEA Preschool Grants	-	-	764,652	764,652
ARP - Cyberbullying and Suicide Prevention Grants	-	-	1,505,400	1,505,400
ARP - Gaggle Grants	-	-	470,437	470,437
21st Century Grant	-	-	450,000	450,000
Teacher in Residence	-	-	22,754	22,754
ROTC Reimbursement	-	-	1,959,649	1,959,649
Administrative Outreach Claiming for Education Program	-	-	8,350,000	8,350,000
Regional Alternative Licensing Center	-	-	144,458	144,458
County Bond Reimbursement	-	-	397,627	397,627
Burroughs Wellcome Fund	-	-	25,857	25,857
CMS Foundation	-	-	299,513	299,513
Athletics	-	-	1,000,000	1,000,000
Rental of School Property	-	-	350,000	350,000
P-Card Rebate	-	-	100,000	100,000
Indirect Costs	-	-	12,071,532	12,071,532
Tuition & Fees	-	-	475,000	475,000
Interest Earned on Investment	-	-	200,000	200,000
Restitution	-	-	30,000	30,000
Police Sales	-	-	25,000	25,000
Fund Balance	-	-	4,846,161	4,846,161
TOTAL	\$ 992,105,441	\$ 579,017,308	\$ 493,779,688	\$ 2,064,902,437

* Includes impact of planned ABC transfers.

Position Allotment - Funds are used to pay the amount required to hire a specific number of certified teachers and other educator positions based on the state salary schedule, without being limited to a specific dollar amount.

Dollar Allotment - Funds are used to hire employees or purchase goods for a specific purpose, but must stay within the allotted dollar amount.

Categorical Allotment - Funds are used to purchase all services necessary to address the needs of a specific population or service. The local school system must operate within the allotted funds. These funds may be used to hire personnel, to provide a service, or to purchase supplies and materials for the specific population or service only.

PROPOSED BUDGET BY REVENUE CATEGORY

001	<u>Classroom Teachers</u>	\$476,509,511
	Provides guaranteed funding for salaries for classroom teachers, including Program Enhancement Teachers. To qualify as a classroom teacher and to be charged against this allotment, an individual must spend a major portion of the school day providing classroom instruction and shall not be assigned to administrative duties in either the central or school offices.	
002	<u>Central Office Administration</u>	\$3,388,644
	Provides funding for salaries and associated benefits for central office administration. These funds may be used for personnel including: Superintendent, Directors/Supervisors/Coordinators, Associate and Assistant Superintendents, Finance Officers, Child Nutrition Supervisors/Managers, Community Schools Coordinators/Directors, Athletic Trainers, Health Education Coordinators, Maintenance Supervisors and Transportation Directors.	
003	<u>Non-Instructional Support Personnel</u>	\$46,088,936
	Provides funding for non-instructional support personnel, associated benefits and liability insurance. These funds may be used at the central office or at individual schools for personnel including: Clerical Assistants, Custodians, Duty Free Period and Substitute Teachers.	
004	<u>K-5 Program Enhancement Teachers</u>	\$25,516,061
	Provides guaranteed funding for salaries for kindergarten to fifth grade Program Enhancement Teachers.	
005	<u>School Building Administration</u>	\$34,916,051
	Provides funding for salaries and associated benefits for principals and assistant principals.	
006	<u>School Psychologists</u>	\$3,587,373
	Provides funding for salaries for certified school psychologist personnel to implement locally designed initiatives that provide mental health services for students and staff.	
007	<u>Instructional Support Personnel – Certified</u>	\$53,502,681
	Provides funding for salaries and associated benefits for certified instructional support personnel who provide service to students who are at risk of school failure and their families. The funds may be used for personnel including: Media Specialist, Counselor, Psychologist, Social Worker, Student Services Specialist, Hearing Officer and Media Assistant.	
009	<u>Non-Contributory Employee Benefits</u>	\$7,727,237
	Provides funding for salaries and associated benefits to provide for annual leave, short-term disability and longevity.	
012	<u>Driver Training</u>	\$3,049,499
	Provides funding for making available public education to all students on driver safety and training.	
013	<u>Career & Technical Education - Months of Employment</u>	\$49,385,485
	Provides funding for salaries and associated benefits for classroom teachers of secondary students who elect to enroll in Career and Technical Education programs.	
014	<u>Career & Technical Education - Program Support</u>	\$2,102,331
	Provides funding to assist in expanding, improving, modernizing, and developing quality Career and Technical Education programs.	
015	<u>School Technology Fund</u>	\$3,368,081
	Provides funding for the development and implementation of a local school technology plan.	
016	<u>Summer Reading Camps</u>	\$3,453,615
	Funding to provide additional educational programs outside of the instructional calendar to any 3rd grade student who does not demonstrate reading proficiency and any first or second grade student who demonstrates reading comprehension below grade level as identified through administration of formative and diagnostic assessments in accordance with G.S. 115C-83.6.	

PROPOSED BUDGET BY REVENUE CATEGORY

022	<u>Advanced Teaching Roles</u> Provides funding to develop and support highly effective teachers, to increase the access to effective and highly-effective teachers for students in low-achieving and high-poverty schools relative to their higher-achieving and lower-poverty peers.	\$77,772
024	<u>Disadvantaged Student Supplemental Funding</u> Provides funding to support the needs of disadvantaged students.	\$5,862,313
027	<u>Teacher Assistants</u> Provides funding for salaries and associated benefits for teacher assistants in regular and self-contained classrooms.	\$40,762,032
029	<u>Behavioral Support</u> Provides funding for Assaulting and Violent Children programs which provide appropriate educational programs to students under the age of 18 who suffer from emotional, mental, or neurological disabilities accompanied by violent or assaulting behavior.	\$332,802
032	<u>Children with Disabilities</u> Provides funding for the special educational needs and related services of children with disabilities. These funds are to be used for children with disabilities, preschool handicapped, group homes, foster homes or similar facilities.	\$70,886,043
034	<u>Academically or Intellectually Gifted</u> Provides funding for academically or intellectually gifted students and may be used only (i) for academically or intellectually gifted students, (ii) to implement the plan developed under G.S. 115C-150.7; (iii) for children with special needs; or (iv) in accordance with an accepted school improvement plan, for any purpose so long as that school demonstrates it is providing appropriate services to academically or intellectually gifted students assigned to that school in accordance with the local plan developed under G.S. 115C-150.7.	\$8,449,146
054	<u>Limited English Proficiency</u> Provides funding to support students who have limited proficiency in English. The funds shall be used to supplement local current expense funds and shall not supplant local current expense funds.	\$22,477,533
055	<u>High School Learn and Earn</u> Provides funding to create rigorous and relevant high school options that provide students with the opportunity and assistance to earn an associate degree or two years of college credit by the conclusion of the year after their senior year in high school.	\$900,000
056	<u>Transportation of Pupils</u> Provides funding for all "yellow bus" transportation related expenses for eligible school age (K-12) students for travel to and from school and between schools. Examples of these expenses are contract transportation, transportation personnel (other than Director, Supervisor, and Coordinator), bus drivers' salaries, benefits, fuel, and other costs as defined in the Uniform Chart of Accounts including expenses for contract transportation when furnishing transportation by yellow bus for eligible school age (K-12) students for travel to and from school and between schools becomes impracticable.	\$67,111,278
061	<u>Classroom Materials/Instructional Supplies/Equipment</u> Provides funding for instructional materials and supplies, instructional equipment, and testing support.	\$310,619
063	<u>Children with Disabilities – Special Funds</u> Provides funding for the special educational needs and related services of children with disabilities. These funds are to be used for community residential centers and developmental day care facilities.	\$1,401,148

PROPOSED BUDGET BY REVENUE CATEGORY

066	<u>Assistant Principal Intern</u> Provides funding for stipends to full-time students working on a master's degree in school administration programs who are serving in an approved intern program.	\$62,952
067	<u>Assistant Principal Intern - MSA Student</u> Provides funding for stipends to full-time students working on a master's degree in school administration programs who are serving in an approved intern program.	\$245,797
069	<u>At-Risk Student Services/Alternative Schools</u> Provides funding for identifying students likely to drop out and to provide special alternative instructional programs for these at-risk students. Also provides funding for summer school instruction and transportation, remediation, alcohol and drug prevention, early intervention, safe schools, and preschool screening. These funds may not be used to supplant dropout prevention programs funded from other state or federal sources.	\$32,787,188
073	<u>School Connectivity</u> Provides funding to support the enhancement of the technology infrastructure for public schools.	\$1,486,390
079	<u>Career & Technical Education - Education and Workforce Program</u> Provided to foster innovation in education that will lead to more students graduating career and college ready.	\$120,000
085	<u>Early Grade Reading Proficiency</u> Provides funding to purchase devices to be used with diagnostic assessment in grades K-3.	\$3,119,655
096	<u>Special Position Allotment</u> Provides funding for salary and associated benefits for local teacher on loan to the state.	\$130,592
130	<u>State Textbook Allotment</u> Provides funding for purchase of prescribed textbooks purchased for pupils or group of pupils, and furnished free to them. Funding is reflected in the Other Local Category. Note: this is reflected under other local revenue as required by statute.	\$11,194,279
131	<u>State Textbook Allotment</u> Used to transfer funds for textbooks and digital resources not purchased through the Textbook Warehouse.	\$7,752,446
153	<u>Modernization</u> Funds are appropriated to implement the State Board of Education School Business System Modernization Plan and support the modernization of local education agency (LEA) business systems, particularly those that support financial, payroll, human resources, and related human capital functions. NOTE: This amount reflects the initial State allocation for modernization. Funding will be adjusted to reflect the new State funding model when the NEXT fiscal year budget is adopted.	\$4,039,953
	<u>Mecklenburg County</u> Provides funding to support the education of all children throughout Mecklenburg County in the amount approved by the Board of County Commissioners.	\$579,017,308
017	<u>Career & Technical Education – Program Improvement</u> Provides funding to assist in developing the academic, career and technical skills of secondary and postsecondary students who elect to enroll in career and technical education programs.	\$2,220,553
026	<u>McKinney-Vento Homeless</u> Provides funds to develop services to meet the educational and related needs of homeless students (e.g. tutoring, counseling, enrollment, attendance, staff development, parent training, etc.).	\$127,361

PROPOSED BUDGET BY REVENUE CATEGORY

049	<u>IDEA VI-B – Preschool Handicapped</u> Provides funds to initiate and expand preschool special education programs for children with disabilities ages 3-5.	\$932,087
050	<u>ESEA Title I – Basic</u> Provides funding to supplement and provide special help to educationally deprived children from low income families.	\$52,062,078
413	<u>North Carolina Pre-K</u> Provides funding for high quality educational experiences in order to enhance Kindergarten readiness for four-year-olds who are at risk of school failure.	\$16,269,527
060	<u>IDEA Title VI-B</u> Provides funding to initiate, expand, and continue special education to handicapped children ages 3 through 21.	\$37,554,035
070	<u>IDEA Early Intervening Services (EIS)</u> Provides funding to develop and implement coordinated, early intervening services, which may include interagency financing structures, for students in kindergarten through grade 12 (with a particular emphasis on students in kindergarten through grade 3) who have not been identified as needing special education or related services but who need additional academic and behavioral support to succeed in a general education environment.	\$532,059
082	<u>IDEA VI B – Special Education State Improvement Grant</u> The Special Education State Improvement Grant (State Personnel Development Grant) provides personnel development and program support services to significantly improve the performance and success of students with disabilities in local education agencies (LEA), charter schools and state-operated programs in North Carolina. Funds support the implementation of researched based practices in reading/writing and/or mathematics using sites and centers established by grant recipients.	\$8,864
114	<u>IDEA VI B – Children with Disabilities – Risk Pool</u> Provides IDEA, Title VI, Part B funds to “high need” students with disabilities served in local education agencies (LEAs). These funds are to be used for the student’s special education and related service needs.	\$269,886
115	<u>ESEA Title I-School Improvement-Targeted Support and Improvement</u> To provide assistance for schools, which have been identified as schools in need of Targeted Support and Improvement (TSI) under the State's federally-approved plan for the Every Student Succeeds Act (ESSA). These funds will be available to support planning activities to include necessary training and support of the leadership team and the school improvement team.	\$1,697,415
118	<u>IDEA VI-B Special Needs</u> The Individuals with Disabilities Education Act 2004 provides funds to local education agencies, charter schools and state-operated programs for specific areas of need for students with disabilities. These targeted areas include the establishment and coordination of reading/writing coordinators and training, math coordinators and training, early literacy activities, Positive Behavior Interventions and Support coordinators and training, Responsiveness to Instruction coordinators and training, related services support, autism and low incidence support and training.	\$25,172
119	<u>IDEA Preschool Targeted Assistance</u> The Individuals with Disabilities Education Act 2004 provides funds to local education agencies specific areas of need for students with disabilities. These targeted areas include the establishment and coordination of preschool demonstration classes and preschool assessment centers, preschool program network consultants and training, improving preschool LRE opportunities for handicapped preschoolers, and improving LEA family involvement activities.	\$39,184

PROPOSED BUDGET BY REVENUE CATEGORY

- 103** **Title II – Improving Teacher Quality** **\$7,283,962**
Provides funding to help increase the academic achievement of all students by ensuring that all teachers are highly qualified to teach.
- 104** **Title III – Language Acquisition** **\$4,016,963**
Provides funding to assist children who are Limited English Proficient (LEP), including immigrant children and youth, develop high levels of academic attainment in English and meet the same state academic content and student achievement standards as all children. Also, provide assistance to LEAs/Charter Schools in building their capacity to establish, implement, and sustain language instructional educational programs and programs of English language development for LEP children.
- 111** **Title III – Language Acquisition Significant Increase** **\$271,000**
Provides funding for enhanced instructional opportunities for immigrant children and youth designed to assist them in achieving in elementary and secondary schools, including activities designed to assist parents in becoming active participants in the education of their children and activities designed to support personnel to provide services specifically to immigrant children and youth. Also provides funds for additional basic instructional services that are directly attributable to the presence of eligible immigrant children and youth.
- 105** **Title I – School Improvement** **\$3,497,558**
To provide assistance for schools, which have been identified as schools in need of Comprehensive Support and Improvement (CSI) under the State's federally-approved plan for the Every Student Succeeds Act (ESSA).
- 310** **Title VII – Indian Education Grant** **\$15,227**
Funding to meet the unique cultural, language, and educational needs of Indian students and ensure that all students meet the challenging State academic standard. Funds support such activities as culturally-responsive after-school programs, Native language classes, early childhood education, tutoring, and dropout prevention.
- 108** **ESEA Title IV - Student Support & Academic Enrichment** **\$4,183,559**
Funding to promote equitable access to educational opportunity, including holding all students to high academic standards, ensuring meaningful action is taken to improve the lowest-performing schools and schools with underperforming student groups, and providing more children with access to high-quality preschool.
- 163** **CARES ACT 2020** **\$521,811**
The Elementary and Secondary School (K-12) Emergency Relief Fund, authorized by the Coronavirus Aid, Relief and Economic Security Act of 2020 (CARES Act), is intended to assist eligible public school units during the novel coronavirus pandemic (COVID-19). Funds are available through September 30, 2022.
- 170** **GEER-Supplemental Instructional Services** **\$526,448**
To provide funding to supplemental instructional services for support the academic needs of at-risk students, students in poverty and students with disabilities through additional in-school instructional support. Funds are available through September 30, 2022.
- 171** **Coronavirus Response & Relief Supplemental Appropriations (CRRSA) - ESSER II** **\$72,341,959**
The Elementary and Secondary School (K-12) Emergency Relief Fund, authorized by Section 313 of the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act 2021 is intended to assist eligible public school units during and after the coronavirus pandemic. Funds are available through September 30, 2023.
- 173** **CRRSA ESSER II - Supplemental Contracted Instructional Support** **\$710,686**
To provide supplemental funds for contracted services for school health support personnel to provide additional physical and mental health support services.

PROPOSED BUDGET BY REVENUE CATEGORY

174	<u>CRRSA ESSER II - School Nutrition</u>	\$285,537
	To support the recruitment and retention of personnel who are/will be employed directly in the provision on School Nutrition services.	
176	<u>CRRSA ESSER II - Learning Loss Funding</u>	\$4,068,375
	To provide funds for in-person K-12 Summer Bridge Programs to address learning loss and provide enrichment activities in the summer.	
177	<u>CRRSA ESSER II - Summer Career Accelerator Program</u>	\$2,624,883
	To provide funding for Summer Career Accelerator programs for students in grades 6-12 to address learning loss related to COVID-19.	
178	<u>CRRSA ESSER II - Competency-based Assessment</u>	\$861,429
	Funding is provided for licenses for the State approved competency based assessment tool, iReady.	
181	<u>American Rescue Plan (ARP) - ESSER III</u>	\$234,590,453
	The American Rescue Plan (ARP) school district allocations may be used for any authorized activity under ESEA, IDEA, Perkins, and Adult Education programs as well as for other authorized expenditures similar to those allowable under the CARES Act. The bill continues to include allowable uses of funds for pandemic response, implementing health protocols, school repair and improvements to reduce risks of viral transmission, environment health hazards, and for student health needs, maintenance, replacement, and upgrading indoor air quality systems as well as window and door replacement is also expressly authorized. Funds are available through September 30, 2024.	
183	<u>ARP – ESSER III – HOMELESS I</u>	\$100,000
	Funds are provided for LEA’s with 50 or more homeless students to address the urgent needs of homeless children and youth stemming from the impacts of the novel coronavirus pandemic – including academic, social, emotional, and mental health needs.	
184	<u>ARP – ESSER III – HOMELESS II</u>	\$1,321,955
	Funds are provided to address the urgent needs of homeless children and youth stemming from the impacts of the novel coronavirus pandemic – including academic, social, emotional, and mental health needs	
185	<u>ARP - IDEA Section 611 Grants to States</u>	\$11,331,621
	Provides funding to initiate, expand, and continue special education and related services to children with disabilities ages 3 through 21.	
186	<u>ARP - IDEA Preschool Grants</u>	\$764,652
	Provides funds to initiate and expand preschool special education and related services programs for children with disabilities ages 3-5.	
192	<u>ARP - Cyberbullying and Suicide Prevention Grants</u>	\$1,505,400
	Provides funding to mitigate cyberbullying, monitor student internet activity, monitor classroom educational devices, and assist with suicide prevention services.	
193	<u>ARP - Gaggle Grants</u>	\$470,437
	Provides funding to contract with Gaggle.Net, Inc. for technology to mitigate cyberbullying, monitor student internet activity, and assist with suicide prevention services.	

PROPOSED BUDGET BY REVENUE CATEGORY

110	<u>21st Century Grant</u>	\$450,000
	The purpose is to establish 21st Century Community Learning Center (21st CCLC) programs that provide students with afterschool academic and enrichment opportunities, along with activities designed to complement the regular school day. An emphasis must be on providing literacy and math strategies, as well as a broad array of additional services that may include the following: youth development activities, drug and violence prevention, counseling and mentoring, art, music and character education.	
083	<u>Teacher in Residence</u>	\$22,754
	Provides funding for operating expenses reimbursed by DPI for coordination of regional projects for instructional personnel.	
301	<u>ROTC Reimbursement</u>	\$1,959,649
	Provides funding for salaries and associated benefits for ROTC classroom teachers.	
305/306	<u>Administrative Outreach Claiming for Education Program</u>	\$8,350,000
	Provides funding to allow local school districts to be reimbursed under the federal Medicaid program for a portion on the administrative cost associated with providing school based health services.	
499	<u>Regional Alternative Licensing Center</u>	\$144,458
	Provides funding to assist lateral entry teachers in NC to achieve a full professional educator's license.	
980	<u>County Bond Reimbursement</u>	\$397,627
	Provides funding for salaries and associated benefits for positions supporting the capital program.	
811	<u>Burroughs Wellcome Fund</u>	\$25,857
	Provides funding to support creative science enrichment activities for 9th-12th grade students and also provides opportunities for professional development and collaboration for math and science teachers.	
889	<u>CMS Foundation</u>	\$299,513
	The CMS Foundation works to generate financial investment to support Charlotte-Mecklenburg Schools and develop a community-wide culture of schoolanthropy—the support of public education.	
815	<u>Athletics</u>	\$1,000,000
	Provides funding for the support and operations of the district's middle schools athletics program.	
	<u>Rental of School Property</u>	\$350,000
	Provides funding for the operational costs of using school facilities after school hours and on the weekend.	
	<u>P-Card Rebate</u>	\$100,000
	Provides funding for the cost necessary for the functioning of the District as a whole, but which cannot be directly assigned to one service.	
	<u>Indirect Costs</u>	\$12,071,532
	Provides funding for the cost necessary for the functioning of the District as a whole, but which cannot be directly assigned to one service.	
	<u>Tuition & Fees</u>	\$475,000
	Provides funding for the education of students residing outside of Mecklenburg County but enrolled in the school district.	
	<u>Interest Earned on Investments</u>	\$200,000
	Provides funding for the cost necessary for the functioning of the District as a whole, but which cannot be directly assigned to one service.	

PROPOSED BUDGET BY REVENUE CATEGORY

Restitution **\$30,000**
Provides funding for the repair or replacement of District property destroyed due to the negligence of an individual.

Police Sales **\$25,000**
Provides funding for the cost necessary for the functioning of the District as a whole, but which cannot be directly assigned to one service.

Fund Balance **\$4,846,161**
Provides funding from the excess of the assets of a fund over its liabilities and reserves at the beginning or ending of a fiscal year for the one-time purchases of services or equipment.

FUND DESCRIPTIONS AND STRUCTURE

Governmental Funds

General Fund: The General Fund is the general operating fund of the Board. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. This fund is the “Local Current Expense Fund,” which is mandated by State law [G.S. 115C-426].

State Public School Fund: The State Public School Fund includes appropriations from the Department of Public Instruction for the current operating expenditures of the public school system.

Federal Grants Administered Through the State Fund: The Federal Grants Administered Through the State Fund is used to account for grant monies from the US Department of Education that pass through the state and allotted to the LEAs.

Direct Federal Grants Fund: The Direct Federal Grants Fund is used to account for grant monies administered through the US Department of Education, US Department of Health and Human Services and other federal grants from various government agencies.

Special Revenue Fund: The Special Revenue Fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes including local, state, and federal government grants and private donations received from individual and corporate donors.

Individual Schools Fund: The Individual Schools Fund includes revenues and expenditures of the activity funds of the individual schools. The primary revenue sources include funds held on the behalf of various clubs and organizations, receipts from athletic events, and proceeds from various fund raising activities. The primary expenditures are for athletic teams, club programs, activity buses, and instructional needs.

Capital Projects Fund: The Capital Projects Fund accounts for financial resources to be used for the acquisition and construction of major capital facilities (other than those financed by proprietary funds and trust funds). It is mandated by State law [G.S. 115C-426]. Capital projects are funded by Mecklenburg County appropriations and proceeds of Mecklenburg County bonds issued for public school construction.

Enterprise Funds

After School Enrichment Program: The After School Enrichment Program fund is used to account for instructional services provided to students beyond the regular school day.

Child Nutrition Program: The Child Nutrition Program fund is used to account for the food service program within the school system.

Fund Balance

The Board of Education recognizes its fiduciary responsibility to adopt a balanced budget and will seek to do so by considering all cost savings and efficiency options as well as maximizing the use of all funding sources. If projected expenditures exceed projected revenue, budget redirections or reductions may become necessary. One-time solutions, including the use of fund balance reserves, will be considered with caution and appropriately factored in to mitigate the impact of budget shortfalls. The board’s use of fund balance reserves is consistent with district priorities.

**2022-23 PROPOSED CURRENT EXPENSE BUDGET:
EXPENDITURES BY FUNDING SOURCE**

	2022-23 Proposed State Funds	2022-23 Proposed County Appropriation	2022-23 Proposed Federal/Special Revenue/Other	2022-23 Proposed Total Budget
EXPENDITURES				
Instructional				
Regular Instructional	\$ 618,678,330	\$ 185,944,932	\$ 81,728,564	\$ 886,351,826
Special Populations	123,938,658	29,519,563	74,633,306	228,091,527
Alternative Programs	22,866,860	21,350,890	179,771,129	223,988,879
Co-Curricular	-	5,368,475	1,387,183	6,755,658
School-Based Support	<u>60,816,535</u>	<u>27,115,582</u>	<u>29,524,599</u>	<u>117,456,716</u>
Total Instructional	826,300,383	269,299,442	367,044,781	1,462,644,606
Instructional Support				
Support and Development	690,506	10,434,779	3,236,955	14,362,240
Special Pop. Support and Development	2,429,085	1,812,351	156,289	4,397,725
Alternative Prog Support and Development	875,152	1,822,502	3,820,542	6,518,196
System-wide Pupil Support	<u>138,195</u>	<u>4,218,260</u>	<u>171,015</u>	<u>4,527,470</u>
Total Instructional Support	4,132,938	18,287,892	7,384,801	29,805,631
Operations				
Technology Support	5,681,038	14,498,250	377,149	20,556,437
Operational Support	96,041,870	120,743,659	72,283,454	289,068,983
Financial and Human Resource Services	634,130	23,897,029	3,714,560	28,245,719
Accountability	141,103	5,374,604	8,150,337	13,666,044
Community Services	-	-	856,053	856,053
Nutrition Services	46,587	-	1,706,272	1,752,859
Unbudgeted Funds	-	-	15,018,412	15,018,412
Other	<u>-</u>	<u>-</u>	<u>11,485,081</u>	<u>11,485,081</u>
Total Operations	102,544,728	164,513,542	113,591,319	380,649,589
Leadership				
Policy, Leadership and Public Relations	2,089,147	15,527,258	3,159,038	20,775,443
School Leadership Services	<u>57,038,246</u>	<u>29,024,770</u>	<u>2,599,749</u>	<u>88,662,765</u>
Total Leadership	59,127,393	44,552,028	5,758,787	109,438,208
Charter School Pass-through				
		82,364,404		82,364,404
TOTAL EXPENDITURES	<u>\$ 992,105,441</u>	<u>\$ 579,017,308</u>	<u>\$ 493,779,688</u>	<u>\$ 2,064,902,437</u>

**2022-2023 PROPOSED CURRENT EXPENSE BUDGET:
DETAIL EXPENDITURES BY FUNDING SOURCE**

Description	State	County	Federal/Special Revenue/Other	Grand Total
Salaries				
Board Member Salary/Exp. Allowance		\$ 251,609	\$ -	\$ 251,609
Superintendent	151,147	156,893	-	308,040
Assoc. Supt./Chief Officer	782,077	1,015,864	-	1,797,941
Director/Supervisor	1,394,631	10,846,648	2,237,909	14,479,188
Principal	15,657,298	4,933,637	-	20,590,935
Assistant Principal	9,923,741	11,288,717	7,659	21,220,117
Area/Assistant Superintendent	630,399	940,347	174,491	1,745,237
Bonus	-	-	-	-
<i>Administration</i>	<u>\$ 28,539,293</u>	<u>\$ 29,433,715</u>	<u>\$ 2,420,059</u>	<u>\$ 60,393,067</u>
	2.88%	5.08%	0.49%	2.92%
Teacher	425,196,049	36,555,931	36,430,536	498,182,516
ROTC Instructor		1,964,294	1,423,909	3,388,203
Extended Contracts	1,809,519	331,433	231,963	2,372,915
Social Worker/Counselor/ Media Spec.	33,609,007	11,025,265	13,194,549	57,828,821
Speech Pathologist/Audiologist	11,206,739	234,188	-	11,440,927
Psychologist	5,089,711	1,550,736	2,440,697	9,081,144
Deans/Facilitators	11,147,910	11,318,887	8,786,508	31,253,305
Supplementary Pay	59,827	94,625,064	14,420,629	109,105,520
Substitute - Certified	372,090	9,552,957	1,927,296	11,852,343
Bonus		234,523	3,014,667	3,249,190
Additional Responsibility Stipend	28,285	2,937,809	6,381,384	9,347,478
Staff Development Pay	385,389	468,823	7,687,492	8,541,704
<i>Professional Educator</i>	<u>\$ 488,904,526</u>	<u>\$ 170,799,910</u>	<u>\$ 95,939,630</u>	<u>\$ 755,644,066</u>
	49.28%	29.50%	19.43%	36.59%
Teacher/Media Assistant	25,996,859	11,391,330	11,887,762	49,275,951
Tutor	1,536,829		1,566,014	3,102,843
Interpreter/Translator	106,640	310,088	2,149,970	2,566,698
Physical/ Occupational Therapist	4,668,061		-	4,668,061
School-based Non-certified Support	2,291,802	674,381	10,160,836	13,127,019
Monitors	1,175,170	2,604,416	-	3,779,586
Non-Cert. Instructor - Driver/Alt Ed	312,147		12,363,000	12,675,147
Resource Officer/Campus Sec.	5,076,790	616,057	-	5,692,847
Market Adjustment				-
<i>Instructional Support Non-certified</i>	<u>\$ 41,164,298</u>	<u>\$ 15,596,272</u>	<u>\$ 38,127,582</u>	<u>\$ 94,888,152</u>
	4.15%	2.69%	7.72%	4.60%
Office Support	14,650,506	9,428,592	858,956	24,938,054
Technician- Technology		5,723,689	-	5,723,689
Administrative Specialist	1,253,351	22,402,169	7,168,380	30,823,900
Staff Development Pay		28,319	-	28,319
Market Adjustment				-
<i>Technical and Administrative Support</i>	<u>\$ 15,903,857</u>	<u>\$ 37,582,769</u>	<u>\$ 8,027,336</u>	<u>\$ 61,513,962</u>
	1.60%	6.49%	1.63%	2.98%

**2022-2023 PROPOSED CURRENT EXPENSE BUDGET:
DETAIL EXPENDITURES BY FUNDING SOURCE**

Description	State	County	Federal/Special Revenue/Other	Grand Total
Driver	27,568,162	3,006,932	39,360	30,614,454
Driver Overtime/Additional Pay	62,309	1,166	113,500	176,975
Custodian	14,655,284	13,708,823	-	28,364,107
Skilled Trades	10,571,778	13,902,307	106,806	24,580,891
Operational Support Manager		446,172	-	446,172
One-time Bonus	7,650	694,000	48,391,042	49,092,692
Longevity Pay	1,678,700	611,845	266,205	2,556,750
Overtime Pay	356,025	638,932	203,016	1,197,973
Annual Leave	3,487,214	748,786	-	4,236,000
Disability Pay	679,492	94,183	-	773,675
Staff Development Pay		571	-	571
Salary Differential		1,127,524	247,399	1,374,923
Market Adjustment				-
<i>Operational Support and Other</i>	<u>\$ 59,066,614</u>	<u>\$ 34,981,241</u>	<u>\$ 49,367,328</u>	<u>\$ 143,415,183</u>
	5.95%	6.04%	10.00%	6.95%
Total Salaries	<u>\$ 633,578,587</u>	<u>\$ 288,393,907</u>	<u>\$ 193,881,935</u>	<u>\$ 1,115,854,429</u>
	63.86%	49.81%	39.26%	54.04%
Employee Benefits				
Employer's Social Security	48,102,255	21,225,556	25,612,148	94,939,959
Employer's Retirement	148,916,280	64,346,249	34,231,899	247,494,428
Employer's Hospitalization Ins.	99,870,340	22,771,734	13,224,582	135,866,656
Employer's Workers' Comp. Ins.		-	619,908	619,908
Employer's Unemployment Ins.		306,000	-	306,000
Employer's Life Insurance	-	171,838	91,714	263,552
Total Employee Benefits	<u>\$ 296,888,875</u>	<u>\$ 108,821,377</u>	<u>\$ 73,780,251</u>	<u>\$ 479,490,503</u>
	29.93%	18.79%	14.94%	23.22%
Total Salaries/Employee Benefits	<u>\$ 930,467,462</u>	<u>\$ 397,215,284</u>	<u>\$ 267,662,186</u>	<u>\$ 1,595,344,932</u>
	93.79%	68.60%	54.21%	77.26%
Non-personnel Costs				
Contracted Services	13,599,375	16,812,529	93,934,872	124,346,776
Workshop Expenses	889,003	1,609,106	11,121,128	13,619,237
Advertising Cost		84,603	5,000	89,603
Printing and Binding Fees	491,198	54,545	113,897	659,640
Reproduction Costs	37,600	142,030	36,000	215,630
Other Prof & Tech Services	3,931,589		106,000	4,037,589
Public Utilities - Electric Services		12,100,672	9,651,989	21,752,661
Public Utilities - Natural Gas		3,172,045	-	3,172,045
Public Utilities - Water and Sewer		6,544,778	99,233	6,644,011
Waste Management		1,024,609	-	1,024,609
Contracted Repairs & Maintenance	24,500	13,760,364	17,496,461	31,281,325
Rentals/Leases		759,448	-	759,448
Pupil Transportation - Contracted	3,783,772	3,011,918	168,183	6,963,873

**2022-2023 PROPOSED CURRENT EXPENSE BUDGET:
DETAIL EXPENDITURES BY FUNDING SOURCE**

Description	State	County	Federal/Special Revenue/Other	Grand Total
Travel Reimbursement	76,750	90,062	96,368	263,180
Field Trips	165,000	780,721	173,487	1,119,208
Telephone/Telecommunication	129,796	1,669,125	526,230	2,325,151
Postage	6,779	165,642	1,500	173,921
Employee Education Reimbursement	86,000	2,000	45,000	133,000
Membership Dues and Fees	327,114	639,092	276,000	1,242,206
Liability Insurance		2,651,329	1,271,814	3,923,143
Vehicle Liability Insurance	128,000	20,235	-	148,235
Property Insurance		2,264,702	107,128	2,371,830
Fidelity Bond Premium		20,951	-	20,951
Other Insurance and Judgments		66,500	89,500	156,000
Indirect Cost			11,485,081	11,485,081
Unbudgeted Funds			14,184,034	14,184,034
Total Purchased Services	\$ 23,676,476	\$ 67,447,006	\$ 160,988,905	\$ 252,112,386
	2.39%	11.65%	32.60%	12.21%
Supplies and Materials	6,851,716	13,593,886	37,536,391	57,981,993
State Textbooks	11,194,279			11,194,279
Other Textbooks	6,381,157	3,166,290		9,547,447
Library Books	82,291	372,709		455,000
Computer Software and Supplies	1,010,536	3,042,768	3,738,115	7,791,419
Repair Parts, Grease, and Anti-Freeze	568,153	4,066,920	371,381	5,006,454
Gas/Diesel Fuel	6,708,271	1,387,274	2,794,922	10,890,467
Oil	110,188	30,599	8,704	149,491
Tires and Tubes	228,998	575,896	71,154	876,048
Food Purchases -PreK/Extend. Day	35,133	338,100	87,473	460,706
Furniture & Equipment - Inventoried	55,365	2,885,743	19,526,448	22,467,556
Computer Equipment - Inventoried	4,513,216	2,336,818	761,319	7,611,353
Total Supplies and Materials	\$ 37,739,303	\$ 31,797,003	\$ 64,895,907	\$ 134,432,213
	3.80%	5.49%	13.14%	6.51%
Equipment - Capitalized	181,661	84,114	121,240	387,015
Computer Hardware - Capitalized		109,497	111,451	220,948
License and Title Fees	40,540		-	40,540
Total Equipment and Vehicles	\$ 222,201	\$ 193,611	\$ 232,691	\$ 648,503
	0.02%	0.03%	0.05%	0.03%
Transfers to Charter Schools	-	82,364,404	-	82,364,404
Total Fund Transfers	\$ -	\$ 82,364,404	\$ -	\$ 82,364,404
	0.00%	14.22%	0.00%	3.99%
	-	-	-	
	-	-	-	
Grand Total	\$ 992,105,441	\$ 579,017,308	\$ 493,779,689	\$ 2,064,902,437
	100.00%	100.00%	100.00%	100.00%

**2021-2022 PROPOSED CURRENT EXPENSE BUDGET:
ALIGNMENT WITH THE DISTRICT'S PRIORITY INVESTMENT AREAS
BY FUNDING SOURCE DETAIL**

		2021-22 Proposed State Funds	2021-22 Proposed County Approp.	2021-22 Proposed Federal and Other	2021-22 Proposed Total Budget
1. Great Teaching	Strengthen the instructional core by increasing the level and complexity of content, building the knowledge and skill of teachers, and increasing student engagement as independent learners.	12.19%	5.49%	3.22%	20.90%
3. Advanced Coursework	Ensure all students, have access to and experience success in college-level courses, with a particular focus on closing gaps among groups of students who are historically underrepresented in said coursework.	11.06%	4.48%	2.07%	17.61%
4. Academic Performance	Implementation of systems and practices to ensure that all students in need of academic intervention, based on universal district standards, receive appropriate interventions regardless of the level of need at their school.	8.11%	3.47%	2.20%	13.78%
5. Student Engagement for Learning	Develop systems and structures and skills that support the social-emotional engagement of students and staff and reduce chronic absenteeism and disproportionality in suspensions (behaviors associated with disengagement and inequitable systems).	3.97%	2.64%	4.19%	10.79%
6. Health of the District	Sustaining & improving highly effective operations and investing in our people, both of which are critical to our success and provide a foundation for our work. We will focus on operational improvement and innovation in non-instructional areas.	9.60%	9.73%	17.59%	36.92%
Grand Total		<u>44.93%</u>	<u>25.80%</u>	<u>29.27%</u>	<u>100.00%</u>

NOTE: American Rescue Plan funding is currently unbudgeted and is not reflected above.

Proposed County Appropriation

Proposed
County Appropriation



DETAIL OF CHANGES TO 2021-22 COUNTY APPROPRIATION

2021-22 ADOPTED BUDGET	\$ 538,015,366
2021-22 BASE BUDGET	\$ 538,015,366
I. SUSTAINING OPERATIONS	
A. Program Continuation	
1. School Resource Officer Contracts - additional officers and rate increases	683,698
2. School-based Mental Health and Department of Social Services Staffing	<u>609,165</u>
Total Sustaining Operations	\$ 1,292,863
II. INVESTING IN OUR EMPLOYEES	
A. Salaries and Benefits	
1. Salary Increases	
Teachers and other certified staff; assistant principals - proposed at average of 2.7%	2,500,385
Principals - proposed at 2.5%	152,858
Non-certified staff - proposed at 2.5%	3,719,496
2. Market Study Pay Increase - Teacher Assistants	6,022,622
3. Local (County) Supplement Increase - 10% increase on supplement for teachers and certified staff	7,876,331
4. Health Insurance increase - currently \$7,019, proposed at \$7,397	1,131,641
5. Retirement Rate Increase - currently 22.89%, proposed at 24.19%	<u>3,334,935</u>
Total Investing In Our Employees	\$ 24,738,268
III. STUDENT GROWTH AND ADDITIONAL SPACE	
A. 1. Charter School Enrollment Growth - 1,563 new students	<u>5,546,620</u>
Total Student Enrollment Growth Costs	\$ 5,546,620
B. New Schools and Additional Facility Space	
1. Staffing for Two New Schools - elementary and high school	1,060,512
2. Maintenance and Operating Costs for Two New Schools and Added Square Footage	<u>3,498,251</u>
Total New School and Additional Facility Space Costs	\$ 4,558,763
Total Student Growth and Additional Space Costs	\$ 10,105,383
IV. PROGRAM EXPANSION AND NEW INITIATIVES	
A. Preventive Maintenance	5,000,000
B. New Early College High School	400,000
C. Teacher Professional Development and Support	405,866
D. English Learners (EL) Support	2,704,959
E. Personalized Academic Command of English (PACE) Global Academy	1,060,000
F. Student Wellness and Academic Support	1,702,900
Realignment of Existing Resources to Strategic New Initiatives	<u>(6,408,297)</u>
Total Program Expansion and New Initiatives	\$ 4,865,428
2022-2023 PROPOSED COUNTY APPROPRIATION	\$ 579,017,308
CHANGE FROM PRIOR YEAR APPROPRIATION	\$ 41,001,942

**2022-23 PROPOSED CURRENT EXPENSE BUDGET:
PROPOSED COUNTY APPROPRIATION**

	Salaries and Benefits	Purchased Services	Supplies and Materials
EXPENDITURES			
Regular Instructional	\$ 165,205,675	\$ 4,671,084	\$ 15,939,434
Special Populations	24,799,426	2,754,979	1,965,158
Alternative Programs	19,964,920	445,173	940,797
School Leadership Services	28,526,053		498,717
Co-Curricular	3,202,888	1,958,297	207,290
School-Based Support	25,143,390	1,414,340	557,852
Support and Development	9,653,988	468,551	312,240
Special Population Support and Development	1,609,151	194,023	9,177
Alternative Programs Support and Development	1,796,742	21,110	4,650
Technology Support	9,950,896	2,472,697	2,074,657
Operational Support	69,196,230	43,402,618	8,079,939
Financial and Human Resource Services	16,151,229	7,180,973	564,827
Accountability	4,887,635	330,918	156,051
System-wide Pupil Support	3,939,687	51,055	227,518
Policy, Leadership and Public Relations	13,187,374	2,081,188	258,696
Nutrition Services	-		
Charter School Pass-through	-	-	-
TOTAL EXPENDITURES	\$ 397,215,284	\$ 67,447,006	\$ 31,797,003
PERCENTAGE OF TOTAL	68.60%	11.65%	5.49%

Note: The description for each category is on the following pages 40-47.

**2022-23 PROPOSED CURRENT EXPENSE BUDGET:
PROPOSED COUNTY APPROPRIATION**

Furniture and Equipment	Charter School Pass-through	Total	% of Total Budget
\$ 128,739		\$ 185,944,932	32.11%
		29,519,563	5.10%
		21,350,890	3.69%
		29,024,770	5.01%
		5,368,475	0.93%
		27,115,582	4.68%
		10,434,779	1.80%
		1,812,351	0.31%
		1,822,502	0.31%
		14,498,250	2.50%
64,872		120,743,659	20.85%
		23,897,029	4.13%
		5,374,604	0.93%
		4,218,260	0.73%
		15,527,258	2.68%
		-	0.00%
-	<u>82,364,404</u>	<u>82,364,404</u>	<u>14.22%</u>
<u>\$ 193,611</u>	<u>\$ 82,364,404</u>	<u>\$ 579,017,308</u>	<u>100.00%</u>
0.03%	14.22%	100.00%	

ADOPTED COUNTY APPROPRIATION BY MAJOR FUNCTION

Instructional Services

Instructional services include the costs of activities dealing directly with the interaction between teachers and students. Teaching may be provided for students in a school classroom, in another location such as a home or hospital, and in other learning situations such as those involving co-curricular activities. It may also be provided through some other approved medium. Included here are the costs of salaries and benefits for teachers, instructional assistants, instructional leadership and support staff, as well as contracted instructional services, instructional supplies, materials, and equipment, professional development, and any other cost related to direct instruction of students.

Costs of activities involved in evaluating, selecting, and implementing textbooks and other instructional tools and strategies, curriculum development, demonstration teaching, and delivering staff development are also included here. Any site-based instructional supervisor or coordinator coded to this function should spend at least 75% of his/her time on these duties.

5100 Regular Instructional Services \$185,944,932

Costs of activities that provide students in grades K-12 with learning experiences to prepare them for activities as workers, residents, and family members. They include costs of those individuals responsible for providing school curriculum development and coordination as well as lead teachers for regular instructional services. (Not included are those programs designed to improve or overcome physical, mental, social and/or emotional impediments to learning.)

Regular Curricular Services

Costs of activities which are organized into programs of instruction to provide students with learning opportunities to prepare for and achieve personal, health, and career objectives.

CTE Curricular Services

Costs of activities that provide students with the opportunity to develop the knowledge, skills and attitudes needed for training in a specialized field of employment (or occupational field), and are not on the college preparatory track.

5200 Special Populations Services \$29,519,563

Costs of activities for identifying and serving students (in accordance with state and federal regulations) having special physical, emotional, or mental impediments to learning. Also included are those students identified as needing specialized services such as limited English proficiency and gifted education. They include costs of those individuals responsible for providing school curriculum development and coordination as well as lead teachers for special populations services. (Certain categories of funds require that expenditures coded here must be in addition to regular allotments such as classroom teachers, textbooks, etc.) These programs include pre-kindergarten, elementary, and secondary services for the following groups of students.

Children With Disabilities Curricular Services

Costs of activities for students identified as being mentally impaired, physically handicapped, emotionally disturbed, those with learning disabilities, physical therapy, or other special programs for student with disabilities.

Children With Disabilities CTE Curricular Services

Costs of activities for students identified as being mentally impaired, physically handicapped, emotionally disturbed, or those with learning disabilities, requiring specialized CTE programs, as well as for occupational therapy.

Pre-K Children With Disabilities Curricular Services

Costs of activities provided for Pre-K-aged children (under the age of five) who have been identified as being mentally impaired, physically handicapped, emotionally disturbed, or those with learning disabilities.

ADOPTED COUNTY APPROPRIATION BY MAJOR FUNCTION

Speech and Language Pathology Services

Costs of activities that identify students with speech and language disorders, diagnose and appraise specific speech and language disorders, refer problems for medical or other professional attention necessary to treat speech and language disorders, provide required speech treatment services, and counsel and guide students, parents, and teachers, as appropriate.

Audiology Services

Costs of activities that identify students with hearing loss; determine the range, nature, and degree of hearing function; refer problems for medical or other professional attention appropriate to treat impaired hearing; treat language impairment; involve auditory training, speech reading (lip-reading), and speech conversation; create and administer programs of hearing conversation; and counsel guidance of students, parents, and teachers, as appropriate.

Academically/Intellectually Gifted Curricular Services

Costs of activities to provide programs for students identified as being academically gifted and talented.

Limited English Proficiency Services

Costs of activities to assist students from homes where the English language is not the primary language spoken to succeed in their educational programs.

5300 Alternative Programs and Services

\$21,350,890

Costs of activities designed to identify students likely to be unsuccessful in traditional classrooms and/or to drop out and to provide special alternative and/or additional learning opportunities for these at-risk students. They include costs of those individuals responsible for providing school curriculum development and coordination as well as lead teachers for alternative programs and services. Programs include summer school instruction, remediation, alcohol and drug prevention, extended day, services to help keep students in school, as well as alternative educational settings, instructional delivery models, and supporting services for identified students.

Alternative Instructional Services K-12

Costs of activities designed to provide alternative learning environments (programs or schools) during the regular school year for students likely to be unsuccessful in traditional classrooms.

Attendance and Social Work Services

Costs of activities designed to improve student attendance at school and which attempt to prevent or solve student problems involving the home, the school, and the community.

Remedial and Supplemental K-12 Services

Costs of activities designed to improve student performance by providing remedial support and supplemental assistance during the regular school day in grades K-12 to students enabling them to succeed in their learning experiences. Title I activities provided during the school day would be coded here.

Pre-K Readiness/Remedial and Supplemental Services

Costs of activities designed to provide additional assistance to Pre-K-aged students to strengthen their abilities to be successful in the K-12 course of studies. Smart Start, More-At-Four, and Head Start would be coded here.

Extended Day/Year Instructional Services

Costs of activities designed to provide additional learning experiences for students outside of the regular required school calendar. These activities include remedial instructional programs conducted before and after school hours, on Saturdays, during the summer, or during intersession breaks.

ADOPTED COUNTY APPROPRIATION BY MAJOR FUNCTION

5400 School Leadership Services

\$29,024,770

Costs of activities concerned with directing and managing the learning opportunities for students within a particular school. They include costs of the activities performed by the principal and assistant principals while they supervise and evaluate the staff members of the school, assign duties to staff members, supervise and maintain the records of the school, communicate the instructional needs and successes of the students to the various school stakeholders and community, and coordinate school instructional activities with those of the LEA. These activities also include the work of clerical staff, in support of the teaching and leadership functions.

5500 Co-Curricular Services

\$5,368,475

Costs of school-sponsored activities, under the guidance and supervision of LEA staff, designed to motivate students, provide enjoyable experiences, and assist in skill development. Co-curricular activities normally supplement the regular instructional program and include such activities as band, chorus, choir, speech and debate. Also included are student-financed and managed activities such as clubs and proms.

5800 School-Based Support Services

\$27,115,582

Costs of school-based student and teacher support activities to facilitate and enhance learning opportunities for students. These include the areas of educational media services, student accounting, guidance services, health, safety and security support services, instructional technology services, and unallocated staff development.

Educational Media Services

Costs of activities supporting the use of all teaching and learning resources, including media specialists and support staff, hardware, software, books, periodicals, reference books, internet-based services, and content materials.

Student Accounting

Costs of activities of acquiring and maintaining records of school attendance, location of home, family characteristics, census data, and the results of student performance assessments. Portions of these records become a part of the cumulative record which is sorted and stored for teacher and guidance information. Pertinent statistical reports are prepared under this function as well. Include SIMS/NCWise clerical support and school-based testing coordinator activities here.

Guidance Services

Costs of activities involving counseling with students and parents, consulting with other staff members on learning problems, evaluating the abilities of students, assisting students in personal and social development, providing referral assistance, and working with other staff members in planning and conducting guidance programs for students. Include career development coordination services in this area.

Health Support Services

Costs of activities concerned with the health of the students. Included in this area are activities that provide students with appropriate medical, dental, and nursing services.

Safety and Security Support Services

Costs of activities concerned with the security and safety of the students, staff, buildings and grounds. Included in this area are expenses related to school resource officers, traffic directors, crossing guards, security at athletic events, security officials, and security systems.

Instructional Technology Services

Cost of activities to support the technological platform for instructional staff and students. This will include technology curriculum development, training, software, and other learning tools. Examples would include help desk services and programmers for instruction.

ADOPTED COUNTY APPROPRIATION BY MAJOR FUNCTION

Staff Development Unallocated

Costs of activities to provide staff development for all instructional areas when the training provided is not for a purpose code-specific area, or when staff development funds are appropriated to a school for direct payments.

Parent Involvement Services

Costs of activities which encourage and support parent involvement in the schools. Include activities which train parents to provide better learning opportunities for their children.

Volunteer Services

Costs of activities which encourage and support volunteerism in the schools.

System-Wide Support Services

System-wide support services include the costs of activities providing system-wide support for school-based programs, regardless of where these supporting services are based or housed. These services provide administrative, technical, personal, and logistical support to facilitate, sustain, and enhance instruction. Included here are the costs of salaries and benefits for program leadership, support and development and associated support staff, contracted support services, supplies, materials and equipment, professional development, and any other cost related to the system-wide support for the school-based programs of the school system. Costs of activities involved in developing/administering budgets, authorizing expenditures of funds, evaluating the performance of subordinates, developing policies and/or regulations for the district as a whole are included here.

6100 Support and Development Services

\$10,434,779

Costs of activities that provide program leadership, support, and development services for programs providing students in grades K-12 with learning experiences to prepare them for activities as workers, residents, and family members (Not included are program leadership, support and development services for programs designed to improve or overcome physical, mental, social and/or emotional impediments to learning.)

Regular Curricular Support and Development Services

Costs of activities to provide program leadership, support, and development services for regular curricular programs of instruction to provide students with learning opportunities to prepare for and achieve personal, health, and career objectives.

CTE Curricular Support and Development Services

Costs of activities to provide program leadership, support, and development services for programs of instruction to provide students with the opportunity to develop the knowledge, skills and attitudes needed for training in a specialized field of employment (or occupational field), and are not on the college preparatory track.

6200 Special Population Support and Development Services

\$1,812,351

Costs of activities to provide program leadership, support, and development services primarily for identifying and serving students (in accordance with state and federal regulations) having special physical, emotional, or mental impediments to learning. Also included are support and development services for those students needing specialized services such as limited English proficiency and gifted education. These programs include pre-kindergarten, elementary, and secondary services for the special populations.

ADOPTED COUNTY APPROPRIATION BY MAJOR FUNCTION

6300 Alternative Programs and Services Support and Development Services \$ 1,822,502

Costs of activities to provide program leadership, support, and development services for programs designed to identify students likely to be unsuccessful in traditional classrooms and/or to drop out and to provide special alternative and/or additional learning opportunities for these at-risk students. Costs related to state Assistance Teams are also included here. Programs include summer school instruction, remediation, alcohol and drug prevention, extended day, services to help keep students in school, as well as alternative educational settings, instructional delivery models, and supporting services for identified students.

6400 Technology Support Services \$ 14,498,250

Costs of central based activities associated with implementing, supporting and maintaining the computer hardware, software, peripherals, technical infrastructure which provide technology system services to the LEA as a whole. Also included is the development and implementation of technological systems; and technology user support services for the LEA.

6500 Operational Support Services \$120,743,659

Costs of activities for the operational support of the school system such as printing and copying services, communication services, utility services, transportation of students, facilities, planning and construction, custodial and housekeeping services, maintenance services, and warehouse and delivery services. (Does not include any costs which may be coded to one or more specific purpose functions.)

Communication Services

Costs of general telephone and telecommunication services for the LEA. Include in this area general line charges, communication devices, LEA-wide postage purchases, and general telecommunication system support. Does not include any costs which may be coded to one or more specific purpose functions.

Printing and Copying Services

Costs of activities of printing and publishing publications such as annual reports, school directories, and manuals. Also included are the lease/purchase of copier equipment for the school system, as well as centralized services for printing and publishing school materials and instruments such as school bulletins, newsletters, notices, teaching materials, and other items used by the LEA and their individual schools.

Public Utility and Energy Services

Costs of activities concerned with public utility and energy product consumption.

Custodial/Housekeeping Services

Costs of activities concerned with housekeeping duties necessary for the clean and healthy environment of the building structures of a school or other buildings of the LEA.

Transportation Services

Costs of activities concerned with the conveying of students to and from school, as provided by state and federal law. Included are trips between home and school and trips to school activities.

Warehouse and Delivery Services

Costs of activities concerned with the receiving, storing, and distributing of supplies, furniture, equipment, materials, and mail.

Facilities Planning, Acquisition and Construction Services

Costs of activities concerned with acquiring land and buildings, remodeling buildings, constructing buildings and additions to buildings, improving sites, and up-dating service systems. This would include the costs of contracted construction management as well as architectural and engineering, educational specifications development and other services as well as those contracted services generally associated with the primary construction costs.

ADOPTED COUNTY APPROPRIATION BY MAJOR FUNCTION

Maintenance Services

Costs of activities concerned with the repair and upkeep of the building structures, mechanical equipment, underground utility lines and equipment, and surrounding grounds of a school or other buildings of the LEA.

6600 Financial and Human Resource Services

\$23,879,029

Costs of activities concerned with acquisition, management, reporting and protection of financial resources; and with recruitment, retention, placement, and development of human resources for the LEA.

Financial Services

Costs of activities concerned with the financial operations of the LEA. These operations include budgeting, receiving and disbursing of funds, financial and property accounting, payroll, purchasing, risk management, inventory control, and managing funds as required in the School Budget and Fiscal Control Act.

Human Resource Services

Costs of activities concerned with maintaining an efficient, effective staff for the LEA including such activities as recruitment, retention, placement, and development of human resources for the LEA.

6700 Accountability Services

\$5,374,604

Costs of activities concerned with the development, administration, reporting and analysis of student progress. This area includes the testing and reporting for student accountability, such as end of grade and end of course testing, disaggregation, analysis, and reporting of school and student performance. This area also includes the planning, research development and program evaluation costs of the school system.

Student Testing Services

Costs of activities to provide the development, administration, reporting and analysis of student progress, and results of student performance assessments, including the testing and reporting for student accountability.

Planning, Research Development and Program Evaluation

Costs of activities to provide the planning, research development and program evaluation costs of the school system.

6800 System-wide Pupil Support Services

\$4,218,260

Costs of activities that provide program leadership, support, and development services for system-wide pupil support activities for students in grades K-12. These areas include educational media support, student accounting support, guidance support, health support, safety and security support, and instructional technology support system-wide services.

Educational Media Support Services

Costs of activities to provide leadership, support, and development services for system-wide pupil support activities involving the use of all teaching and learning resources.

Student Accounting Support Services

Costs of activities to provide leadership, support, and development services for system-wide pupil support activities of acquiring and maintaining records of school attendance, location of home, family characteristics, and census data.

Guidance Support Services

Costs of activities to provide leadership, support, and development services for system-wide pupil support activities involving counseling with students and parents, consulting with other staff members on learning problems, evaluating the abilities of students, and other guidance services, in addition to career development coordination support services.

ADOPTED COUNTY APPROPRIATION BY MAJOR FUNCTION

Health Support Services

Costs of activities to provide leadership, support, and development services for system-wide pupil support activities concerned with the health of the students.

Safety and Security Support Services

Costs of activities to provide leadership, support, and development services for system-wide pupil support activities concerned with the security and safety of the students, staff, buildings and grounds.

Instructional Technology Support Services

Costs of activities to provide leadership, support, and development services for system-wide pupil support activities to provide learning opportunities in technology for staff and students, to include technology curriculum development, training, software, and other learning tools.

6900 Policy, Leadership and Public Relations Services

\$15,527,258

Costs of activities concerned with the overall general administration of and executive responsibility for the entire LEA.

Board of Education

Costs of activities of the elected body which has been created according to state law and vested with responsibilities for educational planning, policy, and activities in a given LEA.

Legal Services

Costs of activities concerned with providing legal advice and counsel to the Board of Education and/or school system.

Audit Services

Costs of activities concerned with the annual independent financial audit as well as the internal audit functions in a school system.

Leadership Services

Costs of activities performed by the superintendent and such assistants as deputy, associate, assistant superintendents, and other system-wide leadership positions generally directing and managing all affairs of the LEA. These include all personnel and materials in the office of the chief executive officer.

Public Relations and Marketing Services

Costs of activities concerned with writing, editing, and other preparation necessary to disseminate educational and administrative information to the public through various news media or personal contact. This area includes marketing and public information services associated with promoting the school system as a positive entity.

Non-Programmed Charges

Non-Programmed charges are conduit-type (outgoing transfers) payments to other LEAs or other administrative units in the state or in another state, transfers from one fund to another fund in the LEA, appropriated but unbudgeted funds, debt service payments, scholarship payments, payments on behalf of educational foundations, contingency funds, and other payments that are not attributable to a program.

8100 Payments to Other Governmental Units

\$82,364,404

Include payments to other LEAs (including charter schools) or governmental units, which are generally for tuition and transportation for services rendered to pupils residing in the paying LEA. It is also used for indirect cost when used in conjunction with object code 392.

ADOPTED COUNTY APPROPRIATION BY MAJOR FUNCTION

Capital Outlay

Expenditures for acquiring fixed assets, including land or existing buildings, improvements of grounds, initial equipment, additional equipment, and replacement of equipment. Does not include any costs which may be coded to one or more specific purpose functions. (i.e., purchase of transportation equipment would be coded to 6550, maintenance equipment would be coded to 6580, etc.)

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Capital Outlay/Leases

CAPITAL OUTLAY DESCRIPTION

The 1987 Session of the General Assembly passed legislation (House Bill 1155 and 1142) establishing two funds to assist county governments in meeting their public school building capital needs. One was the Critical School Facility Needs Fund administered by the State Board of Education; the other is the Public School Capital Building Fund (which was administered by the Office of State Budget and Management from 1987 through June 30, 2003). The General Assembly of North Carolina included in the budget for the 2003-04 fiscal year (HB397) a provision that transfers the Public School Building Capital Fund from the Office of State Budget and Management to the Department of Public Instruction.

Public School Capital Building Fund is funded from corporate income taxes collected by the state and from interest income earned from cash balances in the fund. These funds are deposited quarterly into the Public School Capital Building Fund and allocated to individual counties based on their public school enrollment. These funds may be used to fund public school building capital and technology equipment needs. In the event a county finds that it does not need all or part of the funds allocated to it for capital outlay projects, the unneeded funds allocated to that county may be used to retire any indebtedness incurred by the county for public school facilities. Historically, the County withdrew funds from the Public Schools Capital Building Fund to fund Charlotte Mecklenburg Schools' Capital Outlay Budget. However, since 2006-07 these funds have been used for debt service on school related debt and the Capital Outlay Budget has been funded with County revenues.

The Capital Outlay Budget is designed to provide pay-as-you-go funding for systematic and scheduled repair and replacement of the school system's major assets such as roofs, heating and air conditioning units, paved areas, furniture, and equipment.

The Building Services Department of Charlotte-Mecklenburg Schools is responsible for developing a five-year plan for major maintenance items such as re-roofing, replacement of heating and air conditioning units, re-paving of parking lots and drives, etc. Requests from the schools and departments are evaluated, and a set of prioritized projects is established.

The following four-year comparison schedule summarizes the budget for the capital replacement expenditures.

CAPITAL OUTLAY BUDGET
SCHEDULE OF REVENUES AND EXPENDITURES

	2022-23 Proposed Budget	2021-22 Adopted Budget	2020-21 Adopted Budget	2019-20 Adopted Budget
REVENUES				
County Capital Outlay	22,960,000	22,960,000	22,560,000	27,560,000
TOTAL CAPITAL OUTLAY REVENUES	\$ 22,960,000	\$ 22,960,000	\$ 22,560,000	\$ 27,560,000
EXPENDITURES				
<u>Buildings and Sites</u>				
Roofs	\$ 6,525,000	\$ 2,624,250	\$ 290,448	\$ 4,845,293
Heating and Air Conditioning	6,399,616	3,284,616	13,865,975	5,485,939
Asphalt Resurfacing & Paving	2,442,000	845,250	54,999	3,313,384
Plumbing	588,000	31,000	265,758	1,070,000
Carpeting	222,500	422,000	433,558	-
Stage Curtains	60,000	60,000	-	-
Sites	3,855,000	2,625,000	531,652	4,125,000
Renovations	1,510,000	1,210,000	1,142,162	907,000
Electrical	607,500	607,500	575,064	2,263,000
Transportation Garage Facilities	-	10,500,000	-	-
Total Buildings and Sites	<u>\$ 22,209,616</u>	<u>\$ 22,209,616</u>	<u>\$ 17,159,616</u>	<u>\$ 22,009,616</u>
<u>Furniture and Equipment</u>				
Classroom and Office Equipment	\$ 550,384	\$ 550,384	\$ 550,384	\$ 550,384
Computer Equipment - Instructional	100,000	100,000	100,000	100,000
Vehicles	-	-	50,000	200,000
Insurance Claims	100,000	100,000	100,000	100,000
Total Furniture and Equipment	<u>\$ 750,384</u>	<u>\$ 750,384</u>	<u>\$ 800,384</u>	<u>\$ 950,384</u>
Security Enhancement projects			\$ 4,600,000	\$ 4,600,000
TOTAL CAPITAL OUTLAY EXPENDITURES	<u>\$ 22,960,000</u>	<u>\$ 22,960,000</u>	<u>\$ 22,560,000</u>	<u>\$ 27,560,000</u>

LEASE, INSTALLMENT CONTRACTS & DEBT MANAGEMENT

The Charlotte-Mecklenburg Board of Education is limited by North Carolina General Statutes with regards to the types of debt it can issue and for what purpose that debt can be used. Local Boards of Education in North Carolina have no direct tax levying and limited borrowing authority. The Board's long-term debt obligations include installment purchases for school buses, compensated employee absences, energy performance contracts for the purpose of furnishing certain professional services designed to reduce energy consumption and operational costs, capital leases and various annual leases principally for office equipment. Mecklenburg County holds all debt issued for school capital construction.

As required by General Statute §115C-528(g), the Board of Education is submitting information concerning lease purchase contracts and installment purchase contracts as part of the annual budget. The following information is submitted in order to comply with the Statute's requirement.

a. Operating Leases

The Board has various annual lease agreements principally for office equipment, which are classified as operating leases. Operating lease expense for the year ended June 30, 2021 totaled \$1.0 million.

b. Installment Purchases

The Board is authorized to finance the purchase of school buses under G.S. 115C-528(a). Session law 2003-284, section 7.25 authorized the State Board of Education to allot monies for the payments on financing contracts entered into pursuant to G.S. 115C-528. The State has accepted the bid to purchase Thomas Built Buses through a special third-party financing arrangement by Banc of America Public Capital Corp at total payments less than the purchase price.

The future minimum payment of the installment purchases as of June 30, 2021, are as follows (expressed in thousands):

<u>Year Ending June 30</u>	<u>Government Activities</u>
2022	4,397
2023	3,207
2024	<u>1,650</u>
Total Payments	<u>\$ 9,254</u>

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Enterprise Programs



SCHOOL NUTRITION SERVICES DESCRIPTION

The mission of School Nutrition Services is to have caring professionals offer students nutritious, appealing, and affordable meals in support of academic success.

The Healthy, Hunger-Free Kids Act of 2010 (Public Law 111-296) authorized establishment of nutrition standards for all foods served in schools and it provided for an alternative to household applications for free and reduced meals in high poverty schools under the Community Eligibility Provision (CEP). The overall purpose of CEP is to improve access to nutritious meals in high poverty schools by providing meals to all students at no cost. Students in 68 Charlotte-Mecklenburg Schools are participating in CEP and are receiving all meals at no cost. In addition, School Nutrition Services provides a Universal Breakfast program that makes breakfast available to students in non-CEP schools at no cost.

School Nutrition Services serves more than 41,000 breakfasts and 80,000 lunches each day. Another 12,000 customers are reached each day through adult meals and supplemental food sales. Charlotte-Mecklenburg Schools' Before School, After School and Extended Year tutoring programs consume 10,500 snacks and supper meals per day. There are 166 full service cafeteria operations. Meals are transported to five satellite locations that house small specialty education programs, six short term suspension sites, and five alternative and academy programs. In 2019-20, economically disadvantaged students were 48.63% of the total CMS population.

SCHOOL NUTRITION SERVICES

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS

	FY 2022-23 Proposed Budget	FY 2021-22 Adopted Budget	FY 2020-21 Actual Expenditures	FY 2019-20 Actual Expenditures
OPERATING REVENUES:				
Student Meals	\$ 7,858,912	\$ -	\$ (390,681)	\$ 4,959,020
Supplemental Sales**	4,068,755	4,639,080	269,328	4,951,513
Total Operating Revenues	\$ 11,927,667	\$ 4,639,080	\$ (121,353)	\$ 9,910,533
OPERATING EXPENSES:				
Food and Commodities	\$ 38,169,633	\$ 37,843,131	\$ 16,476,254	\$ 27,094,908
Salaries	24,611,793	24,062,558	17,532,059	23,520,230
Employee Benefits	4,926,169	7,313,250	4,652,958	6,481,965
Materials and Supplies	3,719,975	2,500,000	829,648	1,726,835
Depreciation	1,500,000	1,300,000	1,245,181	1,298,445
Contracted Services	2,565,144	4,468,239	5,893,339	7,938,599
Other	3,250,771	3,100,141	3,082,861	4,809,027
Total Operating Expenses	\$ 78,743,485	\$ 80,587,319	\$ 49,712,299	\$ 72,870,009
OPERATING INCOME (LOSS)	(66,815,818)	(75,948,239)	(49,833,653)	(62,959,476)
U.S. Government Subsidy and Commodities	\$ 57,797,368	\$ 75,152,301	\$ 29,740,909	\$ 47,365,825
Interest Revenue and Other Misc. Revenue	1,632,973	750,000	1,018,247	729,511
Total Non-Operating Revenue	\$ 59,430,341	\$ 75,902,301	\$ 30,759,156	\$ 48,095,336
INCOME (LOSS) BEFORE OPERATING TRANSFER	(7,339,539)	-	(19,074,497)	(14,864,140)
OPERATING TRANSFER FROM GENERAL FUND			435,900	458,375
APPROPRIATION FROM RETAINED EARNINGS	7,339,539	-	-	-
Change in Net Position	\$ -	\$ -	\$ (18,638,597)	\$ (14,405,765)

** Under a United States Department of Agriculture waiver, all meals were provided at no charge for the 2021-2022 school year.

SCHOOL NUTRITION SERVICES

COMPARISON OF MEAL PRICES

	BREAKFAST			LUNCH		
	Elementary	Secondary	Adult	Elementary	Secondary	Adult
2022-23 Proposed	No Charge	No Charge	A La Carte	\$ 2.75	\$ 3.00	A La Carte
2021-22 Adopted	No Charge	No Charge	A La Carte	\$ 2.75	\$ 3.00	A La Carte
2020-21	No Charge	No Charge	A La Carte	\$ 2.75	\$ 3.00	A La Carte
2019-20	No Charge	No Charge	A La Carte	\$ 2.75	\$ 3.00	A La Carte
2018-19	No Charge	No Charge	A La Carte	\$ 2.25	\$ 2.50	A La Carte
2017-18	No Charge	No Charge	A La Carte	\$ 2.25	\$ 2.50	A La Carte
2016-17	No Charge	No Charge	A La Carte	\$ 2.25	\$ 2.50	A La Carte
2015-16	No Charge	No Charge	A La Carte	\$ 2.25	\$ 2.50	A La Carte
2014-15	No Charge	No Charge	A La Carte	\$ 2.25	\$ 2.50	A La Carte
2013-14	No Charge	No Charge	A La Carte	\$ 2.25	\$ 2.25	A La Carte
2012-13	\$ 1.25	\$ 1.25	A La Carte	\$ 2.15	\$ 2.15	A La Carte
2011-12	\$ 1.25	\$ 1.25	A La Carte	\$ 2.05	\$ 2.05	A La Carte
2010-11	\$ 1.25	\$ 1.25	A La Carte	\$ 2.00	\$ 2.00	A La Carte

AFTER SCHOOL ENRICHMENT PROGRAM DESCRIPTION

The mission of the After School Enrichment Program (ASEP) is to provide families with: (1) affordable licensed after-school care, (2) a safe environment beyond school hours, (3) experiences linking education, enrichment and exploration and (4) people who are committed to competitively preparing students for the 21st Century. ASEP offers exciting activities which stimulate children to be healthier and happier; including sports, art activities and computer exploration. The After School Enrichment Programs operate in the CMS schools, utilizing age appropriate materials and equipment for students. From the media center to the playground, students spend out-of-school hours in safe and stimulating environments. ASEP provides academic tutoring by certified teachers on extended pay to work with children in small groups who perform below grade level. Currently the ASEP curriculum is correlated with the NC Standard Course of Study. ASEP Site Coordinators, school administrators and teachers work together to ensure that the programs supplement the learning taking place during the school day.

Besides academic support, ASEP focuses on the development of children’s social skills. Program leaders are respectful and positive toward students, mindful of the importance of appropriate role models. Students are encouraged to develop friendships with schoolmates that for some will last many years.

Because of the pandemic, the enrollment for the before and after school sites have dropped tremendously. Families have kept their students at home with the risk of spreading and contracting the COVID-19 virus. Further conversations are on-going to determine opening additional sites in the summer and fall and the budget will be adjusted accordingly.

The After School Enrichment Program is currently offered at 80 K-8 and elementary sites. ASEP currently serves 938 students per week in Before School and 2913 students in the After School Programs. ASEP operates as an Enterprise Fund. ASEP is offered at 3 locations free of charge due to 21st CCLC grant funding.

The 2021-22 proposed budget does not include a program price increase for the Before School and After School programs. The price for each program varies depending on the end of day bell schedule:

	<u>Before School</u>	<u>After School</u>
2:30 bell schedule	\$22	\$77
2:45 bell schedule	\$27	\$72
3:00 bell schedule	\$32	\$67
3:15 bell schedule	\$37	\$62
3:30 bell schedule	\$42	\$57
3:45 bell schedule	\$47	\$52
4:15 bell schedule	\$57	\$42

AFTER SCHOOL ENRICHMENT PROGRAM

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS

	2022-23 Proposed Budget	2021-22 Adopted Budget	2020-21 Actual Expenditures	2019-20 Actual Expenditures
OPERATING REVENUES:				
Participant Fees	\$ 8,829,165	\$ 8,673,642	\$ 1,661,140	\$ 10,392,297
Total Operating Revenues	<u>8,829,165</u>	<u>8,673,642</u>	<u>1,661,140</u>	<u>10,392,297</u>
OPERATING EXPENSES:				
Salaries	6,495,862	5,182,864	4,262,266	8,428,154
Benefits	4,212,323	1,702,258	1,137,987	2,100,086
Food Costs	249,410	240,520	54,747	286,461
Material and Supplies	1,079,331	1,034,944	38,321	329,876
Contracted Services/Field Trips	214,134		515	155,113
Other	553,222	515,056	690,878	1,471,375
Total Operating Expenses	<u>12,804,282</u>	<u>8,675,642</u>	<u>6,184,714</u>	<u>12,771,065</u>
OPERATING INCOME (LOSS)	(3,975,117)	(2,000)	(4,523,574)	(2,378,769)
NON-OPERATING REVENUES:				
Interest Income	-	2,000	14,352	116,740
Contributions and Grants - NC Stabilization Grant	3,975,117	-	303,555	887,480
Total Non-Operating Revenue	<u>3,975,117</u>	<u>2,000</u>	<u>317,907</u>	<u>1,004,220</u>
Change in Net Position	-	-	(4,205,667)	(1,374,548)

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Results and Accountability

ACADEMIC ACHIEVEMENT

The 2020-21 school year continued a period never before experienced in public education. The COVID-19 pandemic resulted in schools opening remotely, with reduced instructional time due to remote and hybrid instruction throughout the year. Federally required testing resumed, after being suspended nationally in 2019-20. However, school performance reporting and accountability measures were again suspended for 2020-21. Presented are data from 2020-21 school year. The dramatic declines caused by the pandemic in CMS and across the state of North Carolina will be evident across nearly every tested area.

End-of-Grade Overall Performance

End-of-Grade (EOG) assessments are given to all students in grades 3-8 and are designed to measure a student's mastery of grade-level standards outlined in the North Carolina Standard Course of Study. Students are tested in three subject areas – Reading (grades 3-8), Mathematics (grades 3-8), and Science (grades 5 & 8). Students that score a level 4 or 5 are considered college and career ready (CCR).

2020-21 Reading Percent of Students Scoring Level 4 or 5 (College and Career Ready)

Test	CMS 2020-21 Percent CCR	NC 2020-21 Percent CCR	Difference between CMS and NC
Reading 3	33.9	33.9	+0.0 pct. points
Reading 4	29.4	30.9	-1.5 pct. points
Reading 5	29.3	28.8	+0.5 pct. points
Reading 6	23.8	23.6	+0.2 pct. points
Reading 7	29.9	29.5	+0.4 pct. points
Reading 8	29.3	27.3	+2.0 pct. points
Reading 4-8	28.3%	28.0%	+0.3 pct. points

Source: North Carolina Department of Public Instruction <https://www.dpi.nc.gov/districts-schools/testing-and-school-accountability/school-accountability-and-reporting/accountability-data-sets-and-reports>

2020-21 Mathematics* Percent of Students Scoring Level 4 or 5 (College and Career Ready)

Test	CMS 2020-21 Percent CCR	NC 2020-21 Percent CCR	Difference between CMS and NC
Math 3	25.1	26.6	-1.5 pct. points
Math 4	25.2	22.9	+2.3 pct. points
Math 5	29.6	25.9	+3.7 pct. points
Math 6	25.9	24.0	+1.9 pct. points
Math 7	30.1	27.6	+2.5 pct. points
Math 8	19.6	16.7	+2.9 pct. points
Math 3-8	26.0%	23.9%	+2.1 pct. points

*As of 2017-18, Grade 8 Students take the test for the course they are enrolled in: either NC Math 1 or Grade 8 Math EOG, but not both. The Grade 8 rate is the percentage of students who score CCR in either Grade 8 EOG or Math 1. Grades 3-8 Math includes the Math 1 EOC for Grade 8 students who took it as their Math exam.

Source: North Carolina Department of Public Instruction <https://www.dpi.nc.gov/districts-schools/testing-and-school-accountability/school-accountability-and-reporting/accountability-data-sets-and-reports>

ACADEMIC ACHIEVEMENT

In 2020-21, 28.3% of CMS students in grades 4-8 were college and career ready in reading on the EOG assessment. Reading college and career readiness rates in CMS are .3 percentage points higher than the state. In math, 26.0% of CMS students in grades 3-8 were college and career ready, 2.1 percentage points higher than the state. In science, 48.7% of CMS students in grades 5 and 8 were college and career ready in 2020-21, a readiness rate 3.3 percentage points lower than the state.

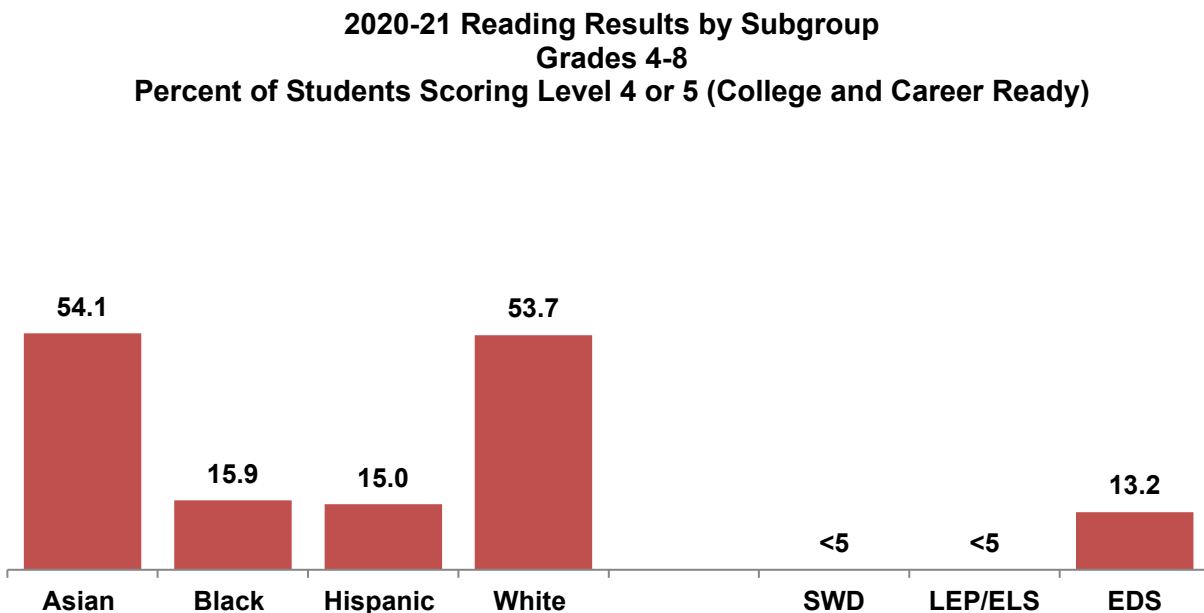
2018-19 Science
Percent of Students Scoring Level 4 or 5 (College and Career Ready)

Test	CMS 2020-21 Percent CCR	NC 2020-21 Percent CCR	Difference between CMS and NC
Science 5	38.5	42.1	-3.6 pct. points
Science 8	59.0	61.6	-2.6 pct. points
Science 5 & 8	48.7%	52.0%	-3.3 pct. points

Source: North Carolina Department of Public Instruction <https://www.dpi.nc.gov/districts-schools/testing-and-school-accountability/school-accountability-and-reporting/accountability-data-sets-and-reports>

End-of-Grade Subgroup Performance

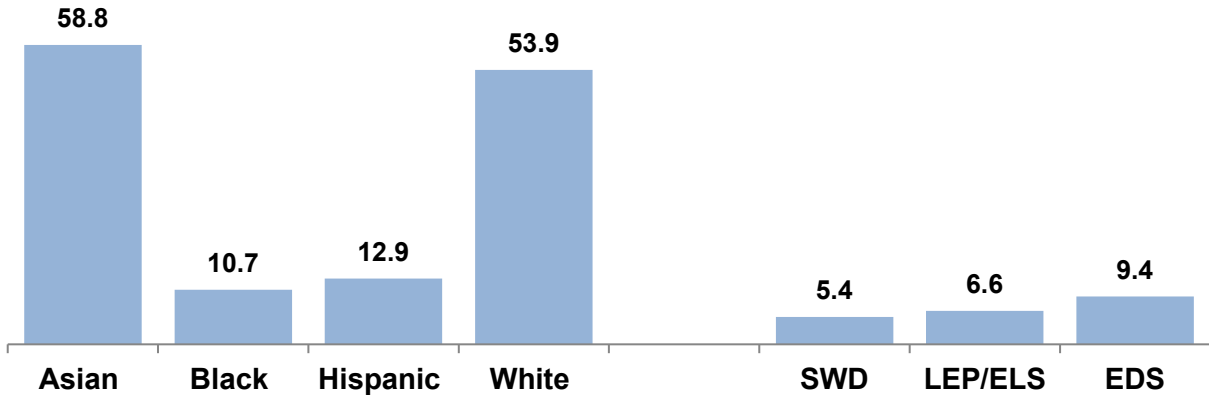
Declines in college and career readiness rates occurred for every subgroup in Reading, Mathematics, and Science EOG assessments. For example, in 2018-19, 65.3% of Asian students and 72.1% of white students were college and career ready in reading, 11.2 and 18.4 percentage points lower than in 2020-21, respectively. However, declines were even greater in Mathematics. For example, Black and Hispanic students CCR rates declined 19.5 and 24.6 percentage points, respectively. These types of declines were experiences in Science as well.



Source: North Carolina Department of Public Instruction <https://www.dpi.nc.gov/districts-schools/testing-and-school-accountability/school-accountability-and-reporting/accountability-data-sets-and-reports>

ACADEMIC ACHIEVEMENT

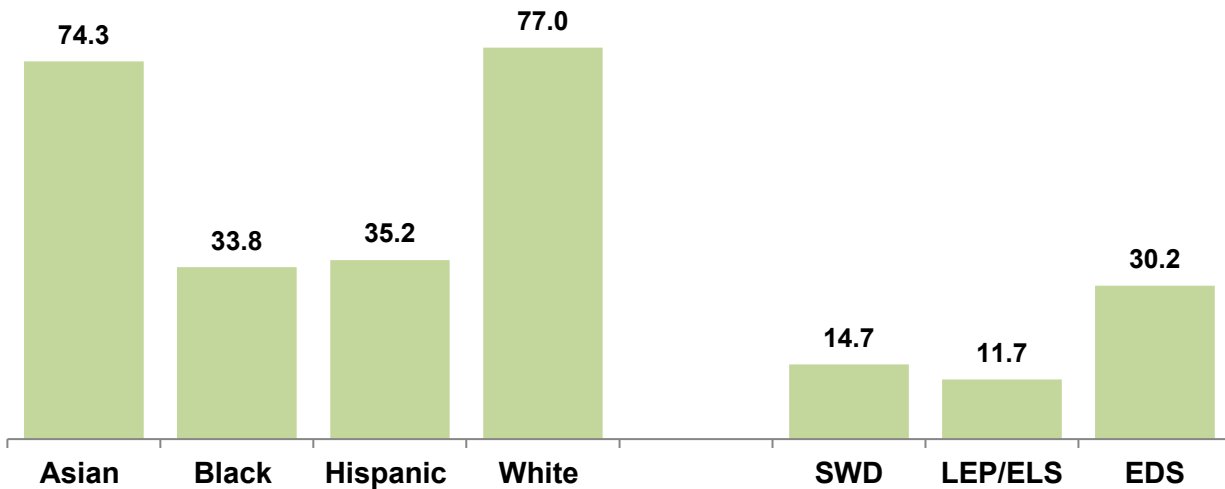
**2020-21 Mathematics Results by Subgroup
Grades 3-8***
Percent of Students Scoring Level 4 or 5 (College and Career Ready)



*As of 2017-18, Grade 8 Students take the test for the course they are enrolled in: either NC Math 1 or Grade 8 Math EOG, but not both. Grades 3-8 Math includes the Math I EOC for Grade 8 students who took it as their Math exam.

Source: North Carolina Department of Public Instruction <https://www.dpi.nc.gov/districts-schools/testing-and-school-accountability/school-accountability-and-reporting/accountability-data-sets-and-reports>

**2020-21 Science Results by Subgroup
Grades 5 and 8**
Percent of Students Scoring Level 4 or 5 (College and Career Ready)



Source: North Carolina Department of Public Instruction <https://www.dpi.nc.gov/districts-schools/testing-and-school-accountability/school-accountability-and-reporting/accountability-data-sets-and-reports>

ACADEMIC ACHIEVEMENT

End-of-Course Overall Performance

End-of-Course (EOC) assessments are given to assess a student's mastery of subject-related concepts as outlined in the North Carolina Standard Course of Study. Students are tested in three subject areas—English II, NC Math 1, NC Math 3, and Biology. Students that score a level 4 or 5 are considered college and career ready.

In 2020-21, 38.6% of CMS students were college and career ready on the state’s annual EOC English II assessment. Though these college and career readiness rates were 3.7 percentage points higher than the state, they reflect a 13.9 percentage point decline from 2018-19. On the Math 1 assessment (9-12th grade only), 4.5% of CMS students were college and career ready, 2.0 percentage points lower than the state. Math 3 (9-12th grade only) was a rare area that saw an increase. CMS had 32.3% of test takers score college and career ready, an increase of 2.5 percentage points from 2018-19, and 7.2 percentage points higher than the state. In Biology, 39.3% of CMS students were college and career ready in 2020-21, a readiness rate .8 percentage points higher than the state.

2020-21 End of Course Exams
Percent of Students Scoring Level 4 or 5 (College and Career Ready)

Test	CMS 2020-21 Percent C & C Ready	NC 2020-21 Percent C & C Ready	Difference between CMS and NC
English II	38.6	34.9	+3.7 pct. points
Math 1 9-12*	4.5	6.5	-2.0 pct. points
Math 3 9-12**	32.3	25.1	+7.2 pct. points
Biology	39.3	38.5	+0.8 pct. points
Grade 9-12 Composite	30.8%	27.5%	+3.3 pct. points

*Only includes students who took Math I in 9th-12th grade. Students that took Math I in 8th grade are included in the Math 3-8 results.

**Math 3 is a new end-of-course test in 2018-19.

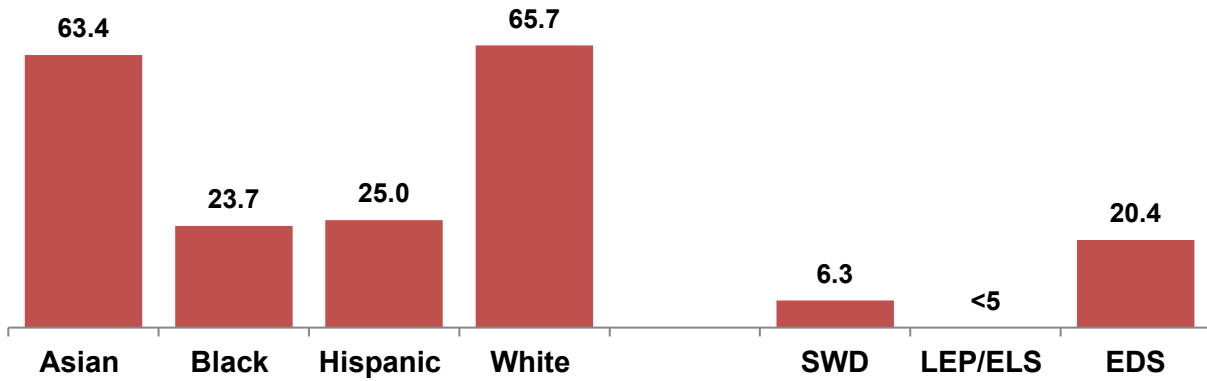
Source: North Carolina Department of Public Instruction <https://www.dpi.nc.gov/districts-schools/testing-and-school-accountability/school-accountability-and-reporting/accountability-data-sets-and-reports>

End-of-Course Exam Subgroup Performance

With declines being experienced in each EOC except Math 3, differences in college and career readiness rates continued to exist by subgroup in English II, Math 1, Math 3 and Biology EOC assessments. For example, in 2020-21, 63.4% of Asian students and 65.7% of white students scored within the college and career readiness range on the English II exam, nearly three times the rate of Black and Hispanic students (23.7% and 25.0%, respectively). Students with disabilities (SWD), English learner students (ELS), and economically disadvantaged students (EDS) also have college and career readiness rates that lag district and state averages on all EOC assessments.

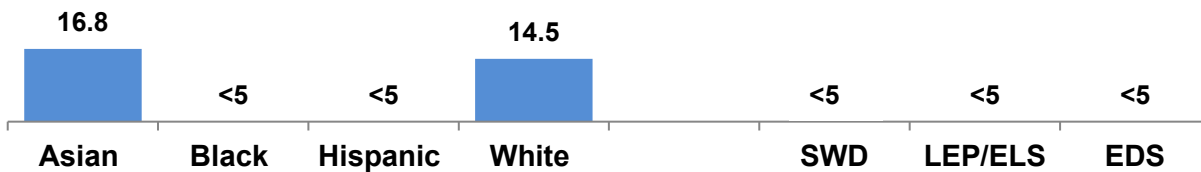
ACADEMIC ACHIEVEMENT

2020-21 English II Results by Subgroup
Percent of Students Scoring Level 4 or 5 (College and Career Ready)



Source: North Carolina Department of Public Instruction <https://www.dpi.nc.gov/districts-schools/testing-and-school-accountability/school-accountability-and-reporting/accountability-data-sets-and-reports>

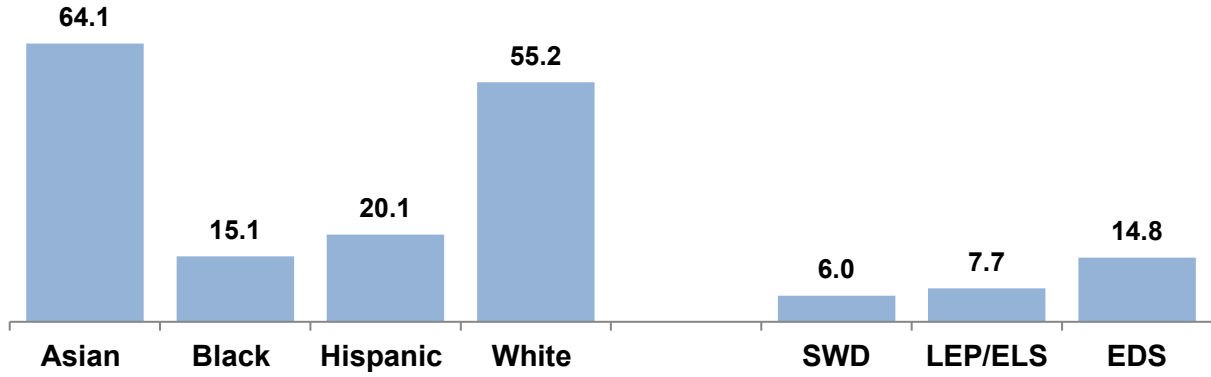
2020-21 Math 1 9-12 Results by Subgroup*
Percent of Students Scoring Level 4 or 5 (College and Career Ready)



*Only includes students who took Math I in 9th-12th grade. Students that took Math I in 8th grade are included in the Math 3-8 results.
Source: North Carolina Department of Public Instruction <https://www.dpi.nc.gov/districts-schools/testing-and-school-accountability/school-accountability-and-reporting/accountability-data-sets-and-reports>

ACADEMIC ACHIEVEMENT

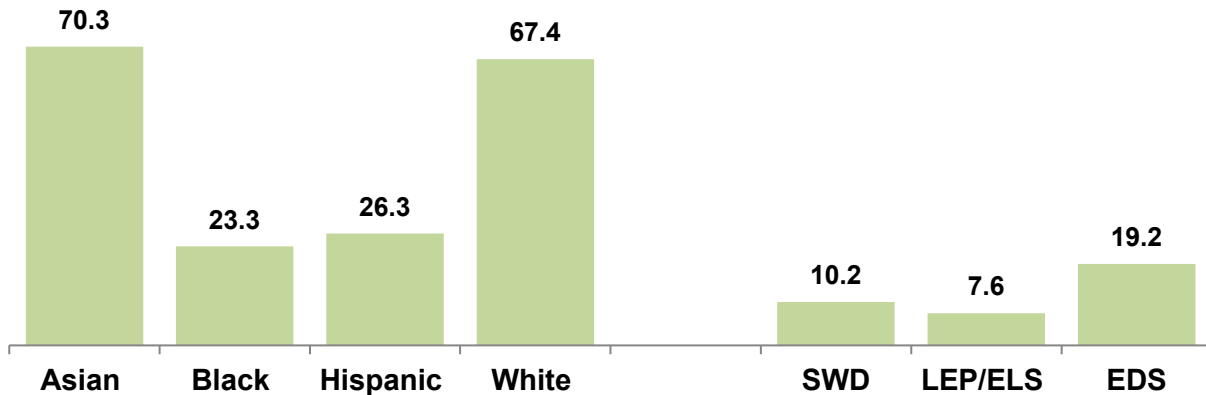
2020-21 Math 3 9-12 Results by Subgroup*
Percent of Students Scoring Level 4 or 5 (College and Career Ready)



*Math 3 is a new end-of-course test in 2018-19.

Source: North Carolina Department of Public Instruction <https://www.dpi.nc.gov/districts-schools/testing-and-school-accountability/school-accountability-and-reporting/accountability-data-sets-and-reports>

2020-21 Biology Results by Subgroup
Percent of Students Scoring Level 4 or 5 (College and Career Ready)



Source: North Carolina Department of Public Instruction <https://www.dpi.nc.gov/districts-schools/testing-and-school-accountability/school-accountability-and-reporting/accountability-data-sets-and-reports>

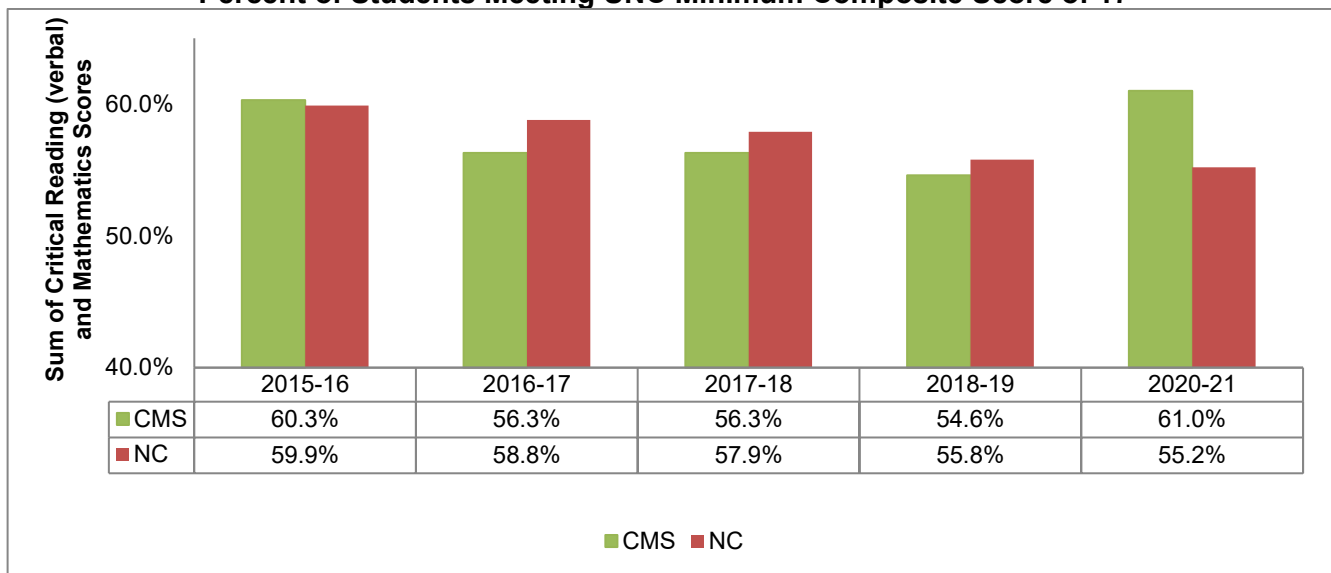
ACADEMIC ACHIEVEMENT

ACT Results

The ACT is given to all eleventh-grade students in North Carolina as a part of the READY Accountability Model. The ACT is a content-based, multiple-choice test with English, math, reading, and science subject tests, and an optional writing section. The ACT is also used as a college admissions test measuring what a student learned in high school to determine academic readiness for college. Scores range from 1-36 in each subject. A composite (overall) score consisting of the average of the four subject scores is reported. In the READY Accountability Model, the benchmark for ACT is the percent of students who reach the minimum composite score of 17 required for entrance into UNC system colleges.

In 2020-21, 61.0% of CMS students tested had a composite score on the ACT that met the UNC minimum, 5.8 percentage points higher than the state. From 2015-16 to 2020-21, the percent of CMS students meeting the UNC minimum has increased .7 percentage points.

2016 – 2021 ACT Results
Percent of Students Meeting UNC Minimum Composite Score of 17*



Source: North Carolina Department of Public Instruction <https://www.dpi.nc.gov/districts-schools/testing-and-school-accountability/school-accountability-and-reporting/north-carolina-sat-and-ap-reports#sat-reports>

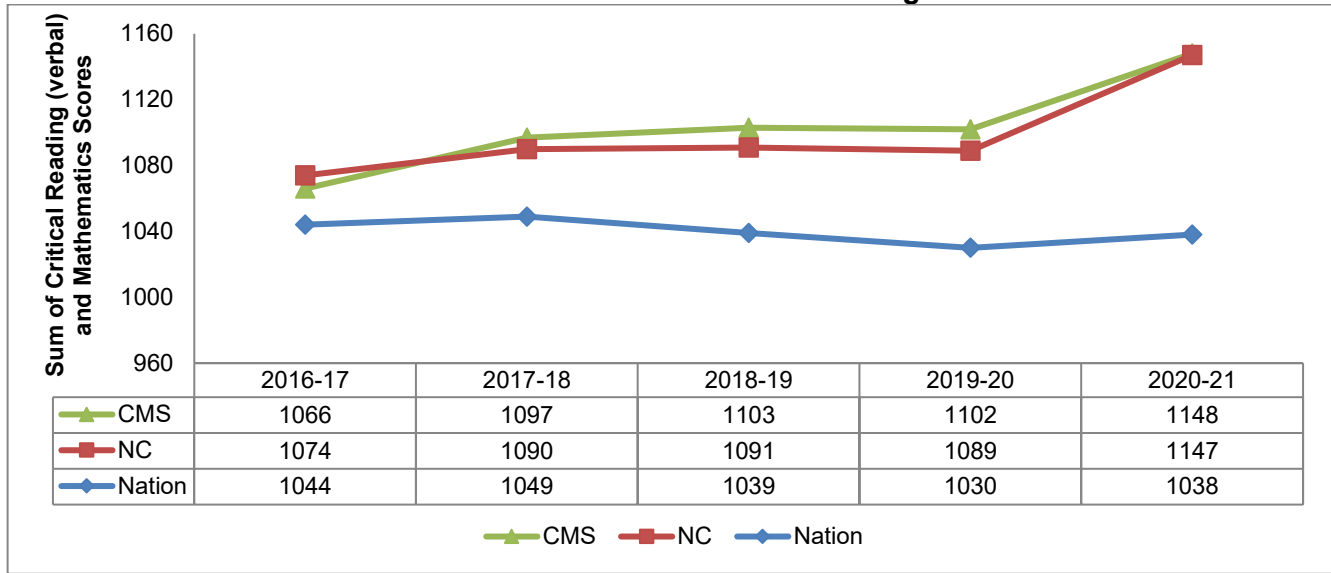
SAT® Results

The SAT® is a standardized test that measures college preparedness and is administered by the College Board™. Students in CMS are not required to take the SAT® as part of their coursework. Participation is voluntary and done outside school hours. Given that the SAT® is not a federally required examination, but run independently by the College Board™, SAT® testing continued throughout the pandemic, providing a rare data point for 2019-20. Therefore, results for 2019-20 and 2020-21 are presented here (see below).

In 2019-20, the average SAT® score for CMS students (1148) was 1 points above the average score for NC (1147) and 110 points above the national average (1038). From 2016-17 to 2020-21, scores among CMS students increased by 82 points or 7.7%.

ACADEMIC ACHIEVEMENT

**2017 – 2021 SAT® Results
Public School Students Math and Critical Reading Score Totals***



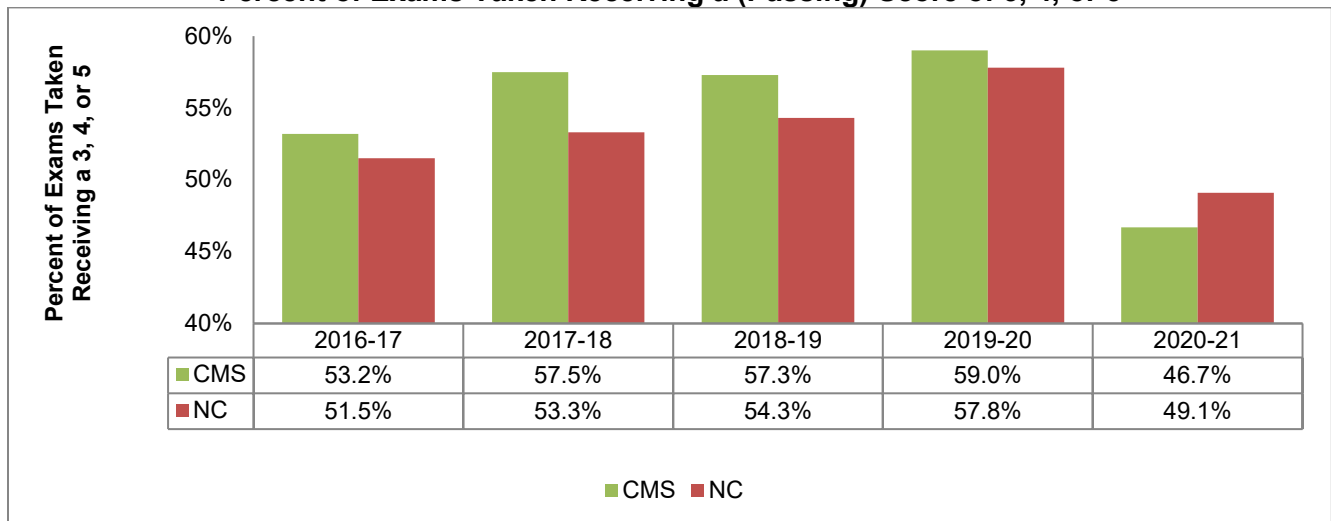
*In 2017, the SAT® underwent a major change. The number of questions and the scores in the 25th, 50th, and 75th percentiles nationally changed substantially and it is not recommended to compare old scores to the new scores.

Source: North Carolina Department of Public Instruction <https://www.dpi.nc.gov/districts-schools/testing-and-school-accountability/school-accountability-and-reporting/north-carolina-sat-and-ap-reports#sat-reports>

Advanced Placement® (AP) Exam Performance

AP® courses are college-level classes offered in a wide variety of subjects that can be taken while in high school. AP® exams, a type of national final exam, are offered in each subject annually across the country. They are scored on a scale from 1 to 5, with 1 being the lowest possible score, and 5 being the highest possible score. Scores of a 3, 4, or 5 are considered passing marks. In 2021, 46.7% of AP® exams taken by CMS students received a 3, 4, or 5.

**2017 – 2021 Advanced Placement® Exam Performance
Percent of Exams Taken Receiving a (Passing) Score of 3, 4, or 5**



Source: Source: North Carolina Department of Public Instruction [https://www.dpi.nc.gov/districts-schools/testing-and-school-accountability/school-accountability-and-reporting/north-carolina-sat-and-ap-reports#advanced-placement-\(ap\)-reports](https://www.dpi.nc.gov/districts-schools/testing-and-school-accountability/school-accountability-and-reporting/north-carolina-sat-and-ap-reports#advanced-placement-(ap)-reports); National Public <https://files.nc.gov/dpi/documents/accountability/reporting/ncps-overview-2018-19.pdf>

UNDERSTANDING THE BUDGET

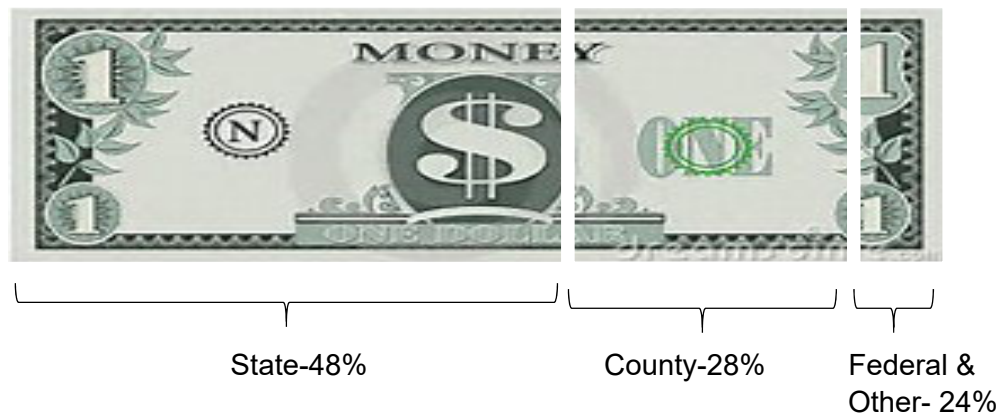
Charlotte Mecklenburg Schools (CMS) is the second-largest school district in North Carolina and the 17th-largest in the U.S. It is also one of the largest employers in Mecklenburg County, with more than 17,000 full-and part-time employees. Like most school districts in the state, CMS does not have taxing authority and relies primarily on funding from these sources:

County - County funding is a major source of operating revenue for CMS. Therefore, the County's economic outlook directly affects that of the school district. County revenues come from several different sources, including property taxes on homes and businesses, county sales taxes and fees.

State - Each year, the North Carolina General Assembly approves the state budget. Money for education is allocated to North Carolina's Department of Public Instruction, which divides funds among the 115 school districts in the state and charter schools. Individual district allocations are based on the number of students and their special needs, family-income levels and other factors. Most state funding must be used for specific purposes or programs determined by the state.

Federal - Most federal funds are categorical for specific educational programs. Most federal entitlement funds, such as Title I (based on Census poverty data), are formula based allotments with the state as the pass through entity. In other cases, the school district must submit competitive grant applications either to the State or U.S. Department of Education.

The total budget for the district is actually two separate budgets – an operating budget and a capital budget. The two budgets are equally important but they are separately funded. The district's operating budget pays for the day-to-day expenses of operating schools and administrative offices. It includes expenses such as utilities, supplies, transportation and salaries and benefits. For the 2021-22 school year, the operating budget is funded as follows:



Salaries and benefits account for 77 percent of the total operating budget. Of that amount, 88 percent of the total staff is based in schools. Of the school-based employees, 81 percent are teachers. Principals, guidance counselors, media specialists, teacher assistants, cafeteria workers and other support staff make up the rest of school-based employees.

The capital budget is similar to the structural costs of a home, such as necessary renovations or improvements. It pays for the design and construction of new schools, expansion of existing schools and major renovation and replacement of older facilities to meet education and safety standards. The capital budget is primarily funded through bonds approved by voters and issued by the county.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
FACTORS AFFECTING THE BUDGET

The CMS budget is affected by several key factors including the economy, district and charter school enrollment and sustaining operations.

Economy

Although Charlotte is widely known as a banking town, the economy of the city and Mecklenburg County has a broad and diverse base. Construction, educational services, finance and insurance, information, manufacturing, real estate, retail, transportation, and warehousing are well represented. The County's economic outlook is positive, and growth continues to expand. Additionally, the state provides the majority of the Board's funding and remains in a relatively better financial position than some states.

MECKLENBURG COUNTY, NORTH CAROLINA TOP 10 EMPLOYERS CURRENT YEAR AND NINE YEARS AGO						
Employer	2020			2011		
	Employees	Rank	% of Total County Employment	Employees	Rank	% of Total County Employment
Atrium HealthCare	35,700	1	6.48%	27,432	1	6.67%
Wells Fargo Bank	23,500	2	4.27%	20,500	2	4.98%
CMS	18,495	3	3.36%	18,858	3	4.58%
Bank of America Corp.	15,000	4	2.72%	15,000	4	3.65%
Novant Health	11,698	5	2.12%	9,000	6	2.19%
American Airlines	11,000	6	2.00%	6,637	10	1.61%
Harris Teeter	8,239	7	1.50%	-	-	-
Duke Energy	7,800	8	1.42%	7,300	9	1.77%
State of North Carolina	7,600	9	1.38%	-	-	-
City of Charlotte	6,800	10	1.23%	-	-	-

MECKLENBURG COUNTY, NORTH CAROLINA DEMOGRAPHIC STATISTICS LAST TEN YEARS						
Year	Population	Total Personal Income	Per Capita Income	Median Age	School Enrollment*	Unempl Rate
2020	1,131,342	N/A	N/A	N/A	147,203	8.50%
2019	1,115,571	N/A	N/A	N/A	147,352	4.10%
2018	1,093,901	N/A	N/A	N/A	147,359	4.00%
2017	1,076,837	\$61,775,890	\$57,368	34.9	147,157	4.30%
2016	1,057,237	58,469,183	55,304	34.7	146,140	4.90%
2015	1,034,442	55,925,668	54,064	34.5	145,363	5.70%
2014	1,011,315	51,980,697	51,399	34.3	142,612	6.80%
2013	991,619	48,823,565	49,236	34.2	141,171	8.10%
2012	968,204	54,501,955	56,292	34	138,012	9.20%
2011	944,943	45,401,491	48,047	33.9	135,638	10.60%

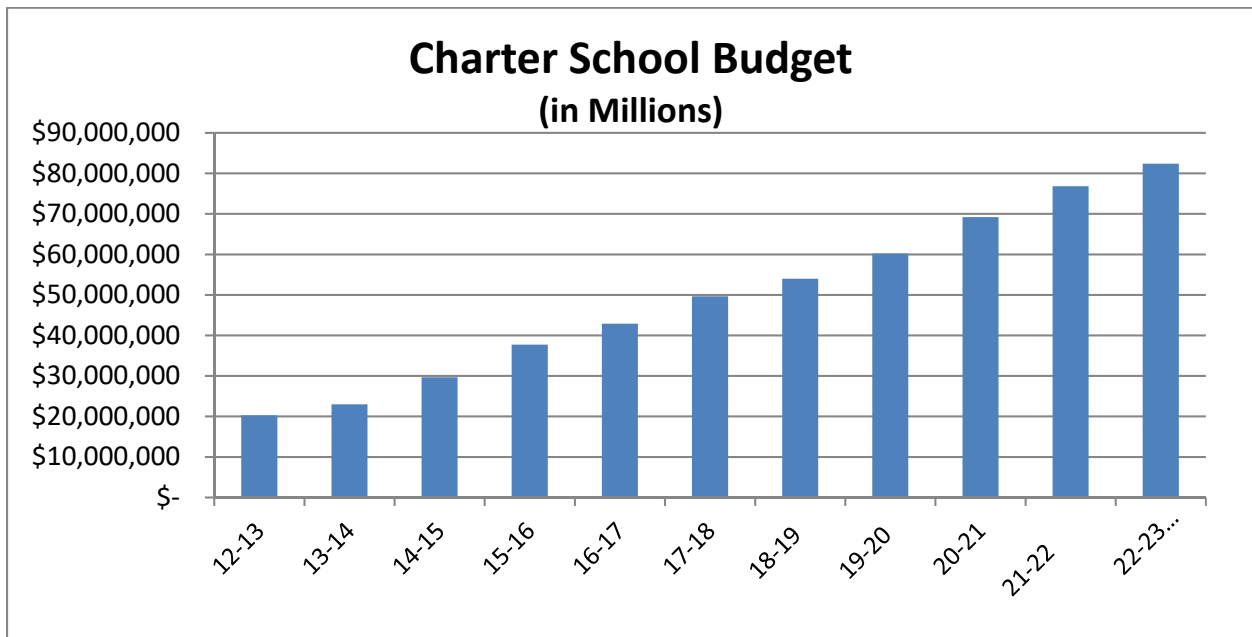
Source: Mecklenburg County, North Carolina Comprehensive Annual Financial Report for the Year Ended June 30, 2020 (most current information available).

*Enrollment is as of ninth month

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
FACTORS AFFECTING THE BUDGET

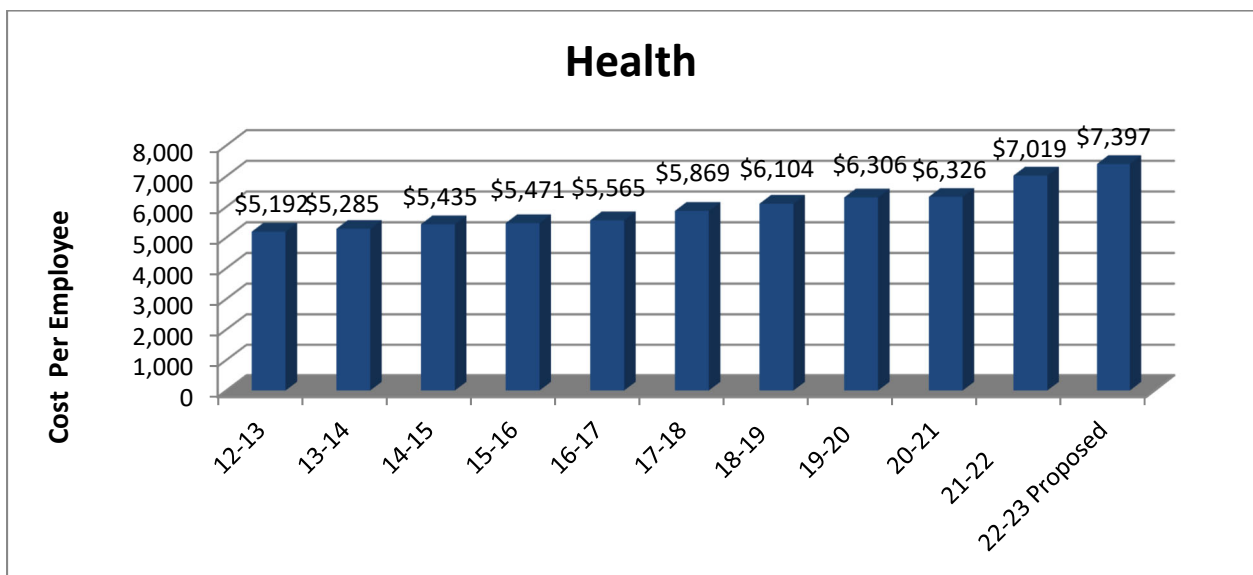
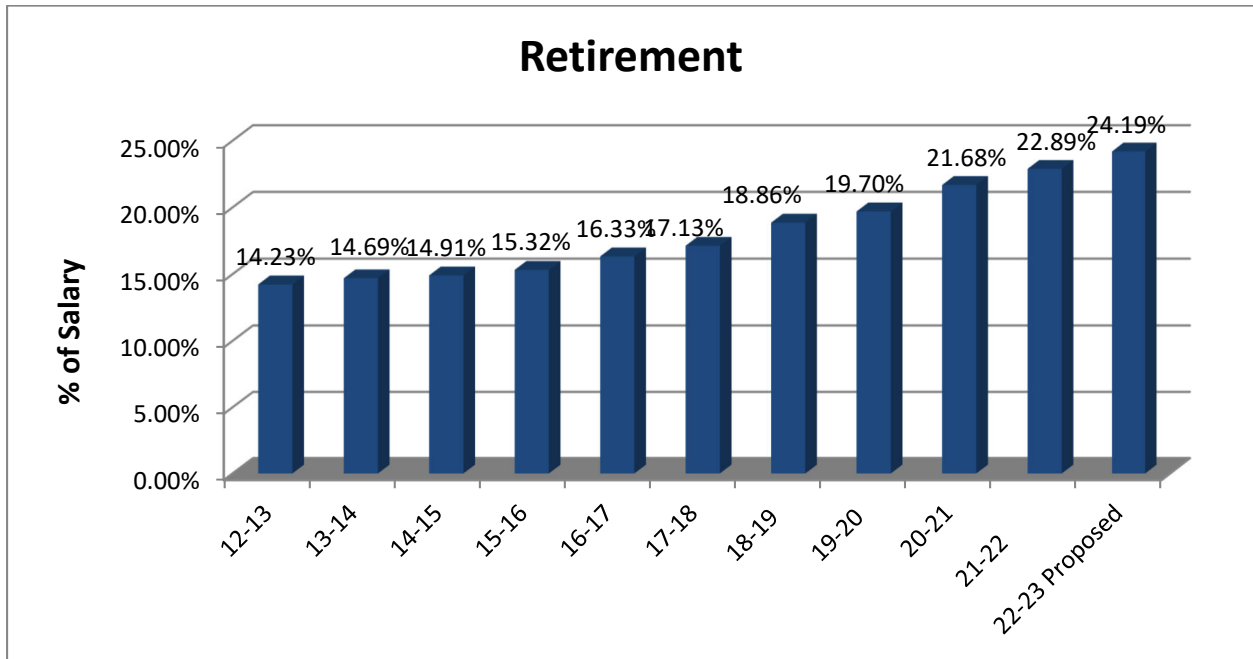
Enrollment - Overall student enrollment has declined by 6,482 since the 2019-20 school year preceding the pandemic. It is estimated that enrollment will increase by 561 students in 2022-23. This enrollment decline is believed to be directly related to the pandemic as there was a consistent trend across the state. Due to the potential disruption to school operations, the state held our funding level stable based on the planned enrollment in FY 2022, however, that hold harmless provision will expire with the 21-22 school year.

Charter schools - CMS is statutorily obligated to provide funding for all Mecklenburg County students in charter schools. Funding for charter schools is included in the CMS budget but is not retained by CMS. The chart below shows the adopted budget for charter school payments each year. The Proposed Budget for charter payments is \$82.3 million in 2022-23, an increase of \$5.5 million over the prior year.



CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
FACTORS AFFECTING THE BUDGET

Sustaining Operations and Investing in Our People– Funding is required to maintain current service levels and to meet state mandated salary and benefit increases. As of 2021-22, the retirement rate has increased 8.66 percentage points (61%) and the annual health insurance contribution by \$1,827 per eligible employee (35%) since 2012-13. The total increase for 2022-23 in the retirement rate is 5.7% and the health insurance contribution increased 5.4 percent.



Note: These increases are determined by the state and have a significant impact on overall budget increase since 77% of our budget is for salaries and benefits.

SCHOOL BUDGET AND FISCAL CONTROL

The Charlotte Mecklenburg Board of Education budget is adopted in compliance with the statutory requirements of the North Carolina School Budget and Fiscal Control Act. This act contains the following statutes related to the budget process:

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 NC General Statutes - Chapter 115C Article 31 2 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.)

115C-426. Uniform budget format.

(a) The State Board of Education, in cooperation with the Local Government Commission, shall cause to be prepared and promulgated a standard budget format for use by local school administrative units throughout the State.

(b) The uniform budget format shall be organized so as to facilitate accomplishment of the following objectives: (i) to enable the board of education and the board of county commissioners to make the local educational and local fiscal policies embodied therein; (ii) to control and facilitate the fiscal management of the local school administrative unit during the fiscal year; and (iii) to facilitate the gathering of accurate and reliable fiscal data on the operation of the public school system throughout the State.

(c) The uniform budget format shall require the following funds:

- (1) The State Public School Fund.
- (2) The local current expense fund.
- (3) The capital outlay fund.

In addition, other funds may be used to account for reimbursements, including indirect costs, fees for actual costs, tuition, sales tax revenues distributed using the ad valorem method pursuant to G.S. 105-472(b)(2), sales tax refunds, gifts and grants restricted as to use, trust funds, federal appropriations made directly to local school administrative units, municipal appropriations made directly to local school administrative units under G.S. 160A-700, and funds received for prekindergarten programs. In addition, the appropriation or use of fund balance or interest income by a local school administrative unit shall not be construed as a local current expense appropriation included as a part of the local current expense fund.

SCHOOL BUDGET AND FISCAL CONTROL

Each local school administrative unit shall maintain those funds shown in the uniform budget format that are applicable to its operations.

(d) The State Public School Fund shall include appropriations for the current operating expenses of the public school system from moneys made available to the local school administrative unit by the State Board of Education.

(e) The local current expense fund shall include appropriations sufficient, when added to appropriations from the State Public School Fund, for the current operating expense of the public school system in conformity with the educational goals and policies of the State and the local board of education, within the financial resources and consistent with the fiscal policies of the board of county commissioners. These appropriations shall be funded by revenues accruing to the local school administrative unit by virtue of Article IX, Sec. 7 of the Constitution, moneys made available to the local school administrative unit by the board of county commissioners, supplemental taxes levied by or on behalf of the local school administrative unit pursuant to a local act or G.S. 115C-501 to 115C-511, State money disbursed directly to the local school administrative unit, and other moneys made available or accruing to the local school administrative unit for the current operating expenses of the public school system.

(f) The capital outlay fund shall include appropriations for:

- (1) The acquisition of real property for school purposes, including but not limited to school sites, playgrounds, athletic fields, administrative headquarters, and garages.
- (2) The acquisition, construction, reconstruction, enlargement, renovation, or replacement of buildings and other structures, including but not limited to buildings for classrooms and laboratories, physical and career and technical educational purposes, libraries, auditoriums, gymnasiums, administrative offices, storage, and vehicle maintenance.
- (3) The acquisition or replacement of furniture and furnishings, instructional apparatus, data-processing equipment, business machines, and similar items of furnishings and equipment.
- (4) The acquisition of school buses as additions to the fleet.
- (5) The acquisition of activity buses and other motor vehicles.
- (6) Such other objects of expenditure as may be assigned to the capital outlay fund by the uniform budget format.

The cost of acquiring or constructing a new building, or reconstructing, enlarging, or renovating an existing building, shall include the cost of all real property and interests in real property, and all plants, works, appurtenances, structures, facilities, furnishings, machinery, and equipment necessary or useful in connection therewith; financing charges; the cost of plans, specifications, studies, reports, and surveys; legal expenses; and all other costs necessary or incidental to the construction, reconstruction, enlargement, or renovation.

No contract for the purchase of a site shall be executed nor any funds expended therefor without the approval of the board of county commissioners as to the amount to be spent for the site; and in case of a disagreement between a board of education and a board of county commissioners as to the amount to be spent for the site, the procedure provided in G.S. 115C-431 shall, insofar as the same may be applicable, be used to settle the disagreement.

Appropriations in the capital outlay fund shall be funded by revenues made available for capital outlay purposes by the State Board of Education and the board of county commissioners, supplemental taxes levied by or on behalf of the local school administrative unit pursuant to a

SCHOOL BUDGET AND FISCAL CONTROL

local act or G.S. 115C-501 to 115C-511, the proceeds of the sale of capital assets, the proceeds of claims against fire and casualty insurance policies, and other sources.

(g) Other funds shall include appropriations for such purposes funded from such sources as may be prescribed by the uniform budget format. (1975, c. 437, s. 1; 1981, c. 423, s. 1; 2010-31, s. 7.17(a); 2013-355, s. 2(a); 2017-57, s. 7.23H(h); 2018-5, s. 38.8(f).)

115C-426.1. Vending facilities.

Moneys received by a local school administrative unit on account of operation of vending facilities shall be deposited, budgeted, appropriated, and expended in accordance with the provisions of this Article. (1983 (Reg. Sess., 1984), c. 1034, s. 168.)

115C-426.2. Joint planning.

In order to promote greater mutual understanding of immediate and long-term budgetary issues and constraints affecting public schools and county governments, local boards of education and boards of county commissioners are strongly encouraged to conduct periodic joint meetings during each fiscal year. In particular, the boards are encouraged to assess the school capital outlay needs, to develop and update a joint five-year plan for meeting those needs, and to consider this plan in the preparation and approval of each year's budget under this Article. (1995 (Reg. Sess., 1996), c. 666, s. 2.)

115C-427. Preparation and submission of budget and budget message.

(a) Before the close of each fiscal year, the superintendent shall prepare a budget for the ensuing year for consideration by the board of education. The budget shall comply in all respects with the limitations imposed by G.S. 115C-432.

(b) The budget, together with a budget message, shall be submitted to the board of education not later than May 1. The budget and budget message should, but need not, be submitted at a formal meeting of the board. The budget message should contain a concise explanation of the educational goals fixed by the budget for the budget year, should set forth the reasons for stated changes from the previous year in program goals, programs, and appropriation levels, and should explain any major changes in educational or fiscal policy. (1975, c. 437, s. 1; 1981, c. 423, s. 1.)

115C-428. Filing and publication of the budget; budget hearing.

(a) On the same day that he submits the budget to the board of education, the superintendent shall file a copy of it in his office where it shall remain available for public inspection until the budget resolution is adopted. He may also publish a statement in a newspaper qualified under G.S. 1-597 to publish legal advertisements in the county that the budget has been submitted to the board of education, and is available for public inspection in the office of the superintendent of schools. The statement should also give notice of the time and place of the budget hearing authorized by subsection (b) of this section.

(b) Before submitting the budget to the board of county commissioners, the board of education may hold a public hearing at which time any persons who wish to be heard on the school budget may appear. (1975, c. 437, s. 1; 1981, c. 423, s. 1.)

SCHOOL BUDGET AND FISCAL CONTROL

115C-429. Approval of budget; submission to county commissioners; commissioners' action on budget.

(a) Upon receiving the budget from the superintendent and following the public hearing authorized by G.S. 115C-428(b), if one is held, the board of education 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.

(b) The board of county commissioners shall complete its 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 local school administrative unit 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.

(c) The board of county commissioners shall have full authority to call for, and the board of education shall have the duty to make available to the board of county commissioners, upon request, all books, records, audit reports, and other information bearing on the financial operation of the local school administrative unit.

(d) Nothing in this Article shall be construed to place a duty on the board of commissioners to fund a deficit incurred by a local school administrative unit through failure of the unit to comply with the provisions of this Article or rules and regulations issued pursuant hereto, or to provide moneys lost through misapplication of moneys by a bonded officer, employee or agent of the local school administrative unit when the amount of the fidelity bond required by the board of education was manifestly insufficient.

(e) A local board of education may request appropriations directly from a city, as authorized by G.S. 160A-700. (1975, c. 437, s. 1; 1981, c. 423, s. 1; 2018-5, s. 38.8(g).)

115C-430. Apportionment of county appropriations among local school administrative units.

If there is more than one local school administrative unit in a county, all appropriations by the county to the local current expense funds of the units, except appropriations funded by supplemental taxes levied less than countywide pursuant to a local act of G.S. 115C-501 to 115C-511, must be apportioned according to the membership of each unit. County appropriations are properly apportioned when the dollar amount obtained by dividing the amount so appropriated to each unit by the total membership of the unit is the same for each unit. The total membership of the local school administrative unit is the unit's average daily membership for the budget year to be determined by and certified to the unit and the board of county commissioners by the State Board of Education. (1975, c. 437, s. 1; 1981, c. 423, s. 1; 1985 (Reg. Sess., 1986), c. 1014, s. 78.)

115C-431. Procedure for resolution of dispute between board of education and board of county commissioners.

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(a) If the board of education determines that the amount of money appropriated to the local current expense fund, or the capital outlay fund, or both, by the board of county commissioners is not sufficient to support a system of free public schools, the chairman of the board of education and the chairman of the board of county commissioners shall arrange a joint meeting of the two boards to be held within seven days after the day of the county commissioners' decision on the school appropriations.

Prior to the joint meeting, the Senior Resident Superior Court Judge shall appoint a mediator unless the boards agree to jointly select a mediator. The mediator shall preside at the joint meeting and shall act as a neutral facilitator of disclosures of factual information, statements of positions and contentions, and efforts to negotiate an agreement settling the boards' differences.

At the joint meeting, the entire school budget shall be considered carefully and judiciously, and the two boards shall make a good-faith attempt to resolve the differences that have arisen between them.

(b) If no agreement is reached at the joint meeting of the two boards, the mediator shall, at the request of either board, commence a mediation immediately or within a reasonable period of time. The mediation shall be held in accordance with rules and standards of conduct adopted under Chapter 7A of the General Statutes governing mediated settlement conferences but modified as appropriate and suitable to the resolution of the particular issues in disagreement.

Unless otherwise agreed upon by both boards, the following individuals shall constitute the two working groups empowered to represent their respective boards during the mediation:

- (1) The chair of each board or the chair's designee;
- (2) The superintendent of the local school administrative unit and the county manager or either's designee;
- (3) The finance officer of each board; and
- (4) The attorney for each board.

Members of both boards, their chairs, and representatives shall cooperate with and respond to all reasonable requests of the mediator to participate in the mediation. Notwithstanding Article 33C of Chapter 143 of the General Statutes, the mediation proceedings involving the two working groups shall be conducted in private. Evidence of statements made and conduct occurring in a mediation are not subject to discovery and are inadmissible in any court action. However, no evidence otherwise discoverable is inadmissible merely because it is presented or discussed in a mediation. The mediator shall not be compelled to testify or produce evidence concerning statements made and conduct occurring in a mediation in any civil proceeding for any purpose, except disciplinary hearings before the State Bar or any agency established to enforce standards of conduct for mediators. Reports by members of either working group to their respective boards shall be made in compliance with Article 33C of Chapter 143 of the General Statutes.

Unless both boards agree otherwise, or unless the boards have already resolved their dispute, the mediation shall end no later than August 1. The mediator shall have the authority to determine that an impasse exists and to discontinue the mediation. The mediation may continue beyond August 1 provided both boards agree. If both boards agree to continue the mediation

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beyond August 1, the board of county commissioners shall appropriate to the local school administrative unit for deposit in the local current expense fund a sum of money sufficient to equal the local contribution to this fund for the previous year.

If the working groups reach a proposed agreement, the terms and conditions must be approved by each board. If no agreement is reached, the mediator shall announce that fact to the chairs of both boards, the Senior Resident Superior Court Judge, and the public. The mediator shall not disclose any other information about the mediation. The mediator shall not make any recommendations or public statement of findings or conclusions.

The local board of education and the board of county commissioners shall share equally the mediator's compensation and expenses. The mediator's compensation shall be determined according to rules adopted under Chapter 7A of the General Statutes.

(b1) If agreement is not reached in mediation on the amount of money appropriated to the local current expense fund, and the amount to be appropriated has not been calculated pursuant to this subsection for longer than the prior year, the sum to be appropriated for the budget year in dispute shall be calculated as follows:

(1) The amount of moneys appropriated to the local current expense fund by the board of county commissioners in the prior fiscal year that are expended in that year by the local school administrative unit or transferred as required by G.S. 115C-75.10, 115C-218.105, 115C-238.70, and 116-239.11 shall be divided by the sum of the following: the average daily membership of the local school administrative unit plus the share of the average daily membership of any innovative, charter, regional, or laboratory school whose students reside in the local school administrative unit for the prior school year.

(2) The amount from subdivision (1) of this subsection, rounded to the nearest penny, shall then be multiplied by the sum of one plus the twelve month percent change in the second quarter Employment Cost Index for elementary and secondary school workers as reported by the Federal Bureau of Labor Statistics.

(3) The amount from subdivision (2) of this subsection, rounded to the nearest penny, shall then be multiplied by the sum of the following: the allotted average daily membership for the school year plus the share of the average daily membership of any innovative, charter, regional, or laboratory school whose students reside in the local school administrative unit for the budget year in dispute.

The board of county commissioners shall appropriate to the local current expense fund the sum from subdivision (3) of this subsection, rounded to the nearest penny, to the local board of education for the budget year in dispute.

(b2) If agreement is not reached in mediation, and the amount to be appropriated has been calculated pursuant to subsection (b1) of this section to the local current expense fund for the prior two years, the sum to be appropriated for the budget year in dispute shall be calculated as follows:

(1) The amount of moneys appropriated to the local current expense fund by the board of county commissioners in the prior fiscal year that are expended in the prior fiscal year by the local school administrative unit and transferred as required by G.S. 115C-75.10, 115C-218.105, 115C-238.70, and 116-239.11 shall be divided by the sum of the following: the average daily membership plus the share of the average daily membership of any innovative, charter, regional, or

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laboratory school whose students reside in the local school administrative unit for the prior school year.

- (2) The twelve month percent change in the second quarter Employment Cost Index for elementary and secondary school workers as reported by the Federal Bureau of Labor Statistics shall be increased by three percent (3%).
- (3) The amount from subdivision (1) of this subsection, rounded to the nearest penny, shall then be multiplied by the sum of one plus the sum from subdivision (2) of this subsection, rounded to the nearest penny.
- (4) The amount from subdivision (3) of this subsection shall then be multiplied by the sum of the following: the allotted average daily membership for the school year plus the share of the average daily membership of any innovative, charter, regional, or laboratory school whose students reside in the local school administrative unit for the budget year in dispute.

The board of county commissioners shall appropriate to the local current expense fund the sum from subdivision (4) of this subsection, rounded to the nearest penny, to the local board of education for the budget year in dispute.

(b3) Neither the local board of education nor the board of county commissioners shall file any legal action challenging the determination as to the funds to be appropriated by the board of county commissioners to the local current expense fund in accordance with the formulas found in subsections (b1) and (b2) of this section.

(c) Within five days after an announcement of no agreement on the amount of money to be appropriated to the capital outlay fund by the mediator, the local board of education may file an action in the superior court division of the General Court of Justice. Either board has the right to have the issues of fact tried by a jury. When a jury trial is demanded, the cause shall be set for the first succeeding term of the superior court in the county, and shall take precedence over all other business of the court. However, if the judge presiding certifies to the Chief Justice of the Supreme Court, either before or during the term, that because of the accumulation of other business, the public interest will be best served by not trying the cause at the term next succeeding the filing of the action, the Chief Justice shall immediately call a special term of the superior court for the county, to convene as soon as possible, and assign a judge of the superior court or an emergency judge to hold the court, and the cause shall be tried at this special term. The judge shall find, or if the issue is submitted to the jury, the jury shall find the amount of money legally necessary from the board of county commissioners to provide the local school administrative units with buildings suitably equipped, as required by G.S. 115C-521, in order to maintain a system of free public schools as defined by State law and State Board of Education policy. In making the finding, the judge or the jury shall consider the educational goals and policies of the State and the local board of education, the budgetary request of the local board of education, the financial resources of the county and the local board of education, and the fiscal policies of the board of county commissioners and the local board of education.

All findings of fact in the superior court, whether found by the judge or a jury, shall be conclusive. When the facts have been found, the court shall give judgment ordering the board of county commissioners to appropriate a sum certain to the local school administrative unit for the amount of money to be appropriated to the capital outlay fund and to levy such taxes on property as may be necessary to make up this sum when added to other revenues available for the purpose.

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(d) An appeal from the judgment entered as provided in subsection (c) of this section may be taken to the appellate division of the General Court of Justice, and notice of appeal shall be given in writing within 10 days after entry of the judgment. All papers and records relating to the case shall be considered a part of the record on appeal. The conclusion of the school or fiscal year shall not be deemed to resolve the question in controversy between the parties while an appeal is still pending. Any final judgment shall be legally binding on the parties at the conclusion of the appellate process. The payment of any final judgment by the county in favor of the local school administrative unit shall not be considered, or used in any manner, to deny or reduce appropriations to the local school administrative unit by the county in fiscal years subsequent to the one at issue to offset such payment of a final judgment.

(e) If, in an action filed under subsection (c) of this section, the final judgment of the General Court of Justice is rendered after the due date prescribed by law for property taxes, the board of county commissioners is authorized to levy such supplementary taxes as may be required by the judgment, notwithstanding any other provisions of law with respect to the time for doing acts necessary to a property tax levy. Upon making a supplementary levy under this subsection, the board of county commissioners shall designate the person who is to compute and prepare the supplementary tax receipts and records for all such taxes. Upon delivering the supplementary tax receipts to the tax collector, the board of county commissioners shall proceed as provided in G.S. 105-321.

The due date of supplementary taxes levied under this subsection is the date of the levy, and the taxes may be paid at par or face amount at any time before the one hundred and twentieth day after the due date. On or after the one hundred and twentieth day and before the one hundred and fiftieth day from the due date there shall be added to the taxes interest at the rate of two percent (2%). On or after the one hundred and fiftieth day from the due date, there shall be added to the taxes, in addition to the two percent (2%) provided above, interest at the rate of three-fourths of one percent ($\frac{3}{4}$ of 1%) per 30 days or fraction thereof until the taxes plus interest have been paid. No discounts for prepayment of supplementary taxes levied under this subsection shall be allowed. (1975, c. 437, s. 1; 1981, c. 423, s. 1; 1989, c. 493, s. 2; 1995 (Reg. Sess., 1996), c. 666, s. 3; 1997-222, s. 1; 2007-92, s. 1; 2013-141, s. 1; 2018-83, s. 1.)

115C-432. The budget resolution; adoption; limitations; tax levy; filing.

- (a) After the board of county commissioners has made its appropriations to the local school administrative unit, or after the appeal procedure set out in G.S. 115C-431 has been concluded, the board of education shall adopt a budget resolution making appropriations for the budget year in such sums as the board may deem sufficient and proper. The budget resolution shall conform to the uniform budget format established by the State Board of Education.
- (b) The following directions and limitations shall bind the board of education in adopting the budget resolution:
 - (1) If the county budget ordinance allocates appropriations to the local school administrative unit pursuant to G.S. 115C-429(b), the school budget resolution shall conform to that allocation. The budget resolution may be amended to change allocated appropriations only in accordance with G.S. 115C-433.
 - (2) Subject to the provisions of G.S. 115C-429(d), the full amount of any lawful deficit from the prior fiscal year shall be appropriated.

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- (3) Contingency appropriations in a fund may not exceed five percent (5%) of the total of all other appropriations in that fund. Each expenditure to be charged against a contingency appropriation shall be authorized by resolution of the board of education, which resolution shall be deemed an amendment to the budget resolution, not subject to G.S. 115C-429(b) and 115C-433(b), setting up or increasing an appropriation for the object of expenditure authorized. The board of education may authorize the superintendent to authorize expenditures from contingency appropriations subject to such limitations and procedures as it may prescribe. Any such expenditure shall be reported to the board of education at its next regular meeting and recorded in the minutes.
- (4) Sufficient funds to meet the amounts to be paid during the fiscal year under continuing contracts previously entered into shall be appropriated.
- (5) The sum of estimated net revenues and appropriated fund balances in each fund shall be equal to appropriations in that fund.
- (6) No appropriation may be made that would require the levy of supplemental taxes pursuant to a local act or G.S. 115C-501 to 115C-511 in excess of the rate of tax approved by the voters, or the expenditure of revenues for purposes not permitted by law.
- (7) In estimating revenues to be realized from the levy of school supplemental taxes pursuant to a local act or G.S. 115C-501 to 115C-511, the estimated percentage of collection may not exceed the percentage of that tax actually realized in cash during the preceding fiscal year, or if the tax was not levied in the preceding fiscal year, the percentage of the general county tax levy actually realized in cash during the preceding fiscal year.
- (8) Amounts to be realized from collection of supplemental taxes levied in prior fiscal years shall be included in estimated revenues.
- (9) No appropriation may be made to or from the capital outlay fund to or from any other fund, except as permitted by G.S. 115C-433(d).

(c) If the local school administrative unit levies its own supplemental taxes pursuant to a local act, the budget resolution shall make the appropriate tax levy in accordance with the local act, and the board of education shall notify the county or city that collects the levy in accordance with G.S. 159-14.

(d) The budget resolution shall be entered in the minutes of the board of education, and within five days after adoption, copies thereof shall be filed with the superintendent, the school finance officer and the county finance officer. (1975, c. 437, s. 1; 1981, c. 423, s. 1; 1987 (Reg. Sess., 1988), c. 1025, s. 13; 1993, c. 57, s. 1; 2018-83, s. 2.)

115C-433. Amendments to the budget resolution; budget transfers.

(a) Subject to the provisions of subsection (b) of this section, the board of education may amend the budget resolution at any time after its adoption, in any manner, so long as the resolution as amended continues to satisfy the requirements of G.S. 115C-425 and 115C-432.

(b) If the board of county commissioners allocates part or all of its appropriations pursuant to G.S. 115C-429(b), the board of education must obtain the approval of the board of county commissioners for an amendment to the budget that (i) increases or decreases expenditures from the capital outlay fund for projects listed in G.S. 115C-426(f)(1) or (2), or (ii) increases or

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decreases the amount of county appropriation allocated to a purpose or function by twenty-five percent (25%) or more from the amount contained in the budget ordinance adopted by the board of county commissioners: Provided, that at its discretion, the board may in its budget ordinance specify a lesser percentage, so long as such percentage is not less than ten percent (10%).

(c) The board of education may by appropriate resolution authorize the superintendent to transfer moneys from one appropriation to another within the same fund, subject to such limitations and procedures as may be prescribed by the board of education or State or federal law or regulations. Any such transfers shall be reported to the board of education at its next regular meeting and shall be entered in the minutes.

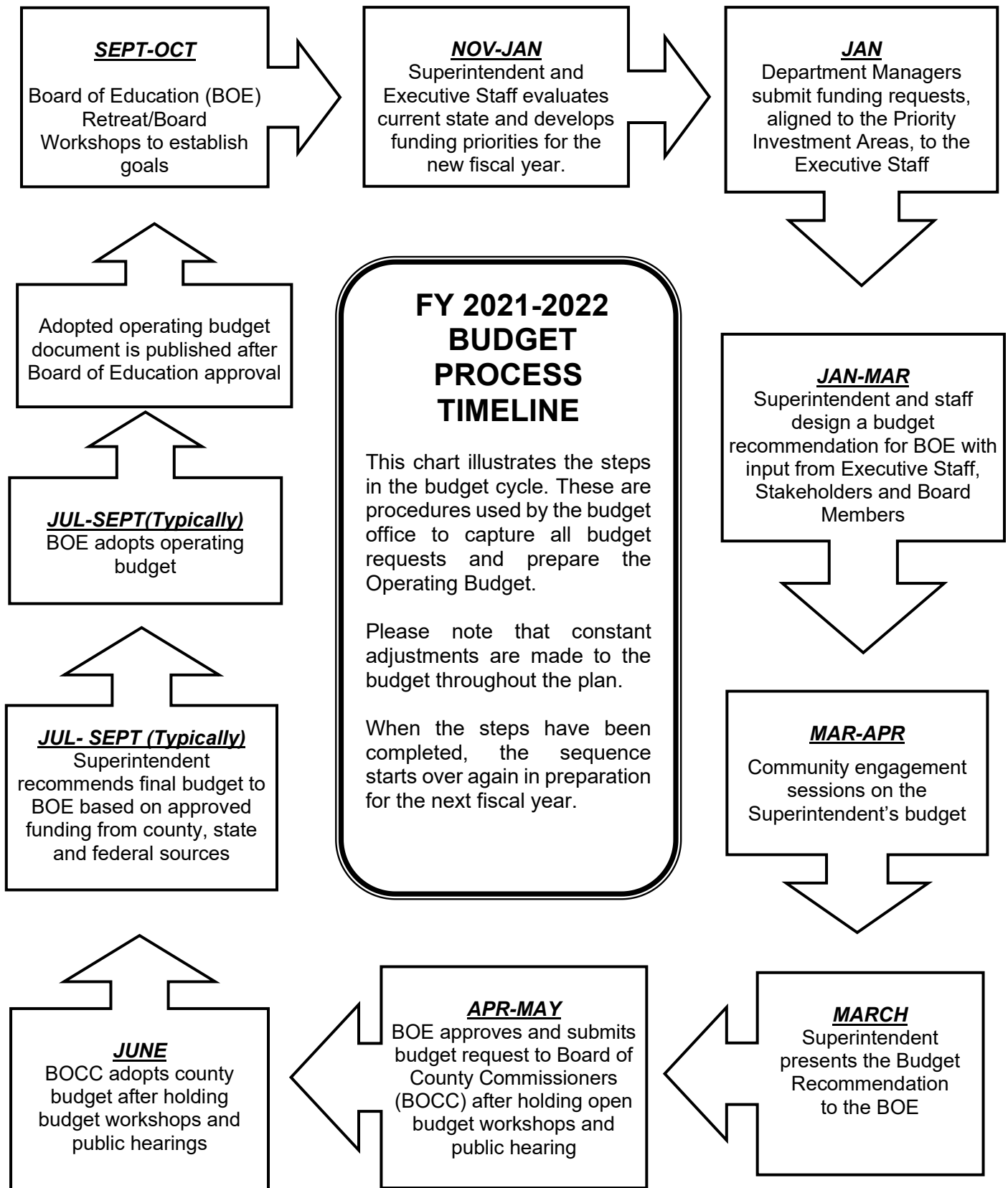
(d) The board of education may amend the budget to transfer money to or from the capital outlay fund to or from any other fund, with the approval of the board of county commissioners, to meet emergencies unforeseen and unforeseeable at the time the budget resolution was adopted. When such an emergency arises, the board of education may adopt a resolution requesting approval from the board of commissioners for the transfer of a specified amount of money to or from the capital outlay fund to or from some other fund. The resolution shall state the nature of the emergency, why the emergency was not foreseen and was not foreseeable when the budget resolution was adopted, what specific objects of expenditure will be added or increased as a result of the transfer, and what objects of expenditure will be eliminated or reduced as a result of the transfer. A certified copy of this resolution shall be transmitted to the board of county commissioners for (its) approval and to the boards of education of all other local school administrative units in the county for their information. The board of commissioners shall act upon the request within 30 days after it is received by the clerk to the board of commissioners or the chairman of the board of commissioners, after having afforded the boards of education of all other local school administrative units in the county an opportunity to comment on the request. The board of commissioners may either approve or disapprove the request as presented. Upon either approving or disapproving the request, the board of commissioners shall forthwith so notify the board of education making the request and any other board of education that exercised its right to comment thereon. Upon receiving such notification, the board of education may proceed to amend the budget resolution in the manner indicated in the request. Failure of the board of county commissioners to act within the time allowed for approval or disapproval shall be deemed approval of the request. The time limit for action by the board of county commissioners may be extended by mutual agreement of the board of county commissioners and the board of education making the request. A budget resolution amended in accordance with this subsection need not comply with G.S. 115C-430. (1975, c. 437, s. 1; 1981, c. 423, s. 1.)

115C-434. Interim budget.

In case the adoption of the budget resolution is delayed until after July 1, the board of education shall make interim appropriations for the purpose of paying salaries and the usual ordinary expenses of the local school administrative unit 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 in the budget resolution. (1975, c. 437, s. 1; 1981, c. 423, s. 1.)

BUDGET PROCESS, ADMINISTRATION AND MANAGEMENT

The budget process timeline is as follows:



BUDGET PROCESS, ADMINISTRATION AND MANAGEMENT

CMS operates under an annual balanced budget adopted and administered in accordance with Section 115C-425(a) of the North Carolina School Budget and Fiscal Control Act (Article 31). A budget resolution is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations (i.e. current expenditures are supported by current revenues). The budget resolution shall cover one fiscal year, from July 1st through June 30th. Article 31 further requires that all monies received and expended by each local school administrative units be included in the budget resolution.

The State law promulgates a standard budget format, which defines budgetary control at the fund, purpose/function or project level. Annual budgets are adopted for all funds, except the individual schools fund, as required by the North Carolina General Statutes. All budgets are prepared using the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Board considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. These could include federal, state, and county grants, and some charges for services. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. The primary sources of revenues for the General Fund are budgeted allocations and appropriations from the State of North Carolina, Mecklenburg County and the Federal Government.

The Board discusses, reviews and may amend the superintendent's budget proposal before approving a final recommendation, which is then submitted to the Mecklenburg Board of County Commissioners. The commissioners review the CMS budget request along with those from other county service providers such as parks and recreation and public libraries. The commission makes adjustments and ultimately approves a county budget that includes funding for CMS. If the allocated and requested amounts differ, CMS will adjust its budget plans.

Per state statute, the Board may amend the budget in any manner, so long as the amended budget remains balanced and still conforms to the uniform budget format established by the State Board of Education. The BOE must obtain approval from the BOCC for any amendment to the budget that increases or decreases expenditures from the capital outlay plan fund or that increases or decreases the amount of county appropriation allocated to a purpose or function by twenty-five percent (25%) or more from the amount contained in the budget ordinance adopted by the BOCC. At its discretion, the BOCC may specify a lesser percentage but not less than ten percent (10%).

Throughout the budget development process, this document serves as the vehicle for sharing our resource allocation decisions, plans for programmatic changes, and the alignment of our resources to the goals established by the district. Once the Board of Education (BOE) adopts a budget, that budget becomes the fiscal management tool for administering and controlling expenditures throughout the organization.

The superintendent works with department heads, managers, school leaders, Board of Education members and the Charlotte-Mecklenburg community to develop an operating budget recommendation to be presented to the Board of Education. The recommendation reflects the fiscal realities facing the district and the most pressing needs to help CMS prepare every student to graduate college and career ready.

Budget management is the process of establishing and maintaining the necessary budgetary controls to ensure that expenditures do not exceed the authorized amounts and that the expenditures are for intended, proper and legal purposes. The budget department is responsible for establishing the system of control and monitoring for control compliance.

BUDGET PROCESS, ADMINISTRATION AND MANAGEMENT

All departments and schools must adhere to the budgetary controls established for the district. For management control purposes, the budget is divided into cost centers that exist for each school and department. Each cost center is assigned a budget manager (fund owner). The adopted budget is allocated to the cost center in accordance with the plan submitted by the fund owner or in accordance with predetermined formulas. However, decisions on how to allocate these funds are ultimately made at the school site or department level. Effective budgetary control requires that budget managers (fund owners) be held accountable for the funds allocated to their respective cost center. Within CMS, department managers and principals are designated as fund owners, and they are responsible for assuring the accuracy of account coding, spending funds appropriately and in alignment with district objectives, and adhering to timelines for recording and expending funds. For centrally budgeted items such as salaries and benefits, insurance, and utilities, the Chief Financial Officer is the designated fund owner.

The overall management of the budget is accomplished in a variety of ways. The key components of our budget management system are as follows:

- **Training on budget management and financial controls** – Financial training is provided to new principals, financial secretaries and assistant principals who are participating in a program for building leadership capacity. This training includes cash management, requisition procedures, accurate account coding, fund flexibility, budget status and management, procurement, etc. Training is also provided to department heads and fund owners on developing their budget requests.
- **Reconciling budget transactions on an ongoing basis** - A budget analyst verifies daily that the budget is still in balance using a quick online report. On a monthly basis, changes by purpose are reviewed to ensure we have not exceeded a 10% variance at which point the Board of County Commission must approve a budget amendment.
- **Controlling and monitoring expenditures to ensure appropriateness of expenditure and availability of funds** - (Pre-audit function as required by North Carolina state statute under 115C-441) - The budget office reviews all requisitions for expenditures and payments to ensure that the expenditure is an appropriate expenditure for school funds and that it is charged to a valid account code as defined by the state chart of accounts. In addition, they are responsible for the “preaudit” function. The preaudit function requires a certification that there is a budget resolution that includes an appropriation for this expenditure and that an unencumbered balance remains in the appropriation sufficient to pay the obligation. The Finance Officer’s signature is required attesting to this fact prior to an obligation being made.
- **Verifying appropriate approvals on requisitions for expenditures and requests for payments in accordance with district policy** – With the Lawson financial system, requisitions are processed online. This control is designed into the workflow pathway within the Lawson system that is defined by the budget department.
- **Budgetary controls over payroll transactions** - Personnel Action Forms (PAF’s) are required to make any changes to the payroll system including adding or deleting an employee, changes in pay rates, job code or status, etc. Since position control is centrally managed, position exchanges and requests for additional positions are submitted to Human Resources (HR), if not initiated by HR, and then forwarded to budget for preaudit. In this case, the preaudit function requires verification that the position exists in the budget and funds are available for the change requested prior to being processed by payroll.
- **Encumbrance controls** - An encumbrance is an obligation in the form of purchase orders, contracts or salary commitments chargeable to an appropriation and for which part of the appropriation is reserved. The purpose for the encumbrance of funds is to insure that obligations are recognized as soon as commitments are made. Our current financial

BUDGET PROCESS, ADMINISTRATION AND MANAGEMENT

system allows for the pre commitment of funds, thus reserving a part of an appropriation when the requisition is entered online. After the preaudit function is completed and the purchase order is released, an encumbrance is created and reflected on budget status reports. This prevents the inadvertent overspending of the budget.

- **Budget transfer controls** - A Budget Transfer Form requesting a transfer of funds is submitted to the budget department by the fund owner, and if approved, is entered into the financial system. This must be processed prior to an obligation being made if there are no other funds available in the account.
- **Reporting of budget amendments to the BOE** - All budget amendments to increase/decrease revenue, transfers within and between function codes for all funds are reported to the BOE on a monthly basis.
- **Control and tracking of cash receipts and recording of revenue** - Financial controls on the receipt of cash are maintained including the separation of duties, and cash receipts are recorded as revenue and appropriated upon receipt as appropriate.
- **Monitoring financial status on a regular basis** - The budget department and Chief Financial Officer regularly review the budget status reviewing budget vs. actual status, reasonableness of percent of budget expended to date, exception reports reflecting any account where actuals exceed budget, and projections of centrally controlled expenditures. Formal financial statements prepared by the accounting department are also reviewed in detail after each month end to insure financial status is as expected and budget to actual comparisons appear reasonable.
- **Summary and detail budget status reporting to department managers and principals on a monthly basis** Fund owners are instructed to review the budget status reports and contact the budget department if there are any questions. Budget status for each activity code is available online in Lawson for easy reference real time. Most fund owners keep some type of tally to reconcile against the activity reflected on the reports.
- **Financial reporting to the Board of Education on a monthly basis** – Formal financial statements for all funds are provided to the Board of Education monthly which reflects budget vs. actual, the annual budget and remaining balance by function.
- **External audit of the financial records and issuance of the Comprehensive Annual Financial Report** - An annual audit is conducted by an external audit firm in accordance with generally accepted auditing standards and *Government Auditing Standards*. The purpose of the audit is to obtain an independent opinion on the financial statements and internal controls of the organization. During the audit, testing of compliance with certain provisions of laws, regulations, contracts and grants is also performed.

Trends and Statistics



CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
KEY STATISTICS (FY2012-2023)

SELECTED TRENDS

FISCAL YEAR	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
ENROLLMENT											
Total K-12 Enrollment - 20th Day	141,171	142,612	145,363	146,140	147,157	147,359	147,352	146,888	140,073	140,406	140,967
EL Students	14,830	15,176	17,146	16,938	17,210	19,794	21,145	24,064	22,777	25,491	
Economically Disadvantaged Students	54.3%	57.3%	58.5%** *	56.5%***	60.2%***	51.7%***	47.6%***	48.6%***	43.2%***		
COST PER PUPIL											
Budgeted Total Cost	\$8,518	\$8,714	\$9,025	\$9,215	\$9,363	\$9,568	\$10,122	\$10,723	\$11,882	\$15,646	\$14,648
Budgeted Local Cost	\$2,390	\$2,500	\$2,671	\$2,766	\$2,810	\$2,910	\$3,121	\$3,468	\$3,748	\$3,832	\$4,107
Budgeted Local Cost w/o Charter Sch Passthrough	\$2,247	\$2,339	\$2,467	\$2,508	\$2,518	\$2,573	\$2,755	\$3,059	\$3,254	\$3,285	\$3,523
NUMBER OF SCHOOLS											
Elementary	88	89	91	95	95	94	95	95	95	97	98
Middle	39	39	39	39	39	44	46	46	47	49	49
High	28	28	31	31	33	35	31 ^Δ	31	31	31	32
Alternative	4	4	3	3	3	3	3	3	3	3	3
Total Schools Operating	159	160	164	168	170	176	175	175	176	180	182
New Schools Opened	0	1	4	4	2	6	3	0	1	4	2
% OF TOTAL OPERATING BUDGET											
% County	28.06%	28.69%	29.59%	30.02%	30.01%	30.41%	30.83%	32.35%	31.54%	24.52%	28.04%
% State	57.95%	57.58%	57.13%	57.84%	58.53%	59.42%	59.27%	58.24%	57.14%	46.20%	48.05%
% Federal & Other Grants	12.00%	12.20%	11.71%	10.55%	10.00%	8.83%	8.67%	8.5%	10.29%	28.45%	22.99%
% Other /Special Revenue	0.95%	0.91%	0.88%	1.03%	.86%	.99%	0.96%	0.91%	0.87%	0.53%	0.69%
% Fund Balance	1.04%	0.62%	0.69%	0.56%	.60%	.34%	0.27%	0%	0.15%	0.30%	0.23%
PERSONNEL CHANGES											
Principals/Assistant Principals	373	380	385	410	415	436	414	416	415	418	409
Teachers**	10,611	10,798	9,513	9,811	9,904	9,736	9,633	9,825	9,735	9,952	9,660
Support Staff**			1,344	1,412	1,390	1,496	1,499	1,608	1,611	2,445	2,294
Assistants/Tutors	2,488	2,322	2,257	2,342	2,303	2,326	2,330	2,278	2,368	2,362	2,323
Admin./Office Personnel	1,143	1,161	1,192	1,230	1,245	1,238	1,237	1,207	1,214	1,253	1,253
Transportation	1,354	1,381	1,388	1,386	1,435	1,444	1,444	1,363	1,363	1,264	1,264
Building Services/Other	1,063	1,080	1,078	1,127	1,139	1,153	1,178	1,216	1,031	1,049	1,332
Total Personnel	17,032	17,122	17,157	17,718	17,831	17,829	17,735	17,913	17,940	19,052	18,535
TRANSPORTATION											
# of Yellow Buses	971	1,001	1,011	1,017	1,048	1,079	1,109	1,100	1,100	939	970

**For years prior to fiscal year 2015, Teachers and Support Staff were combined.

*** Due to the 2014-15 implementation of the USDA Community Eligibility Provision, the district is using a formula designed by USDA for calculating the district poverty rate. The new formula uses the percentage of enrolled students that have been identified by the state agency as qualifying for free meals based on eligibility for poverty based programs. The percentage of identified students is then multiplied by a factor as determined by USDA to get the official EDS as determined by the USDA. The current factor is 1.6.

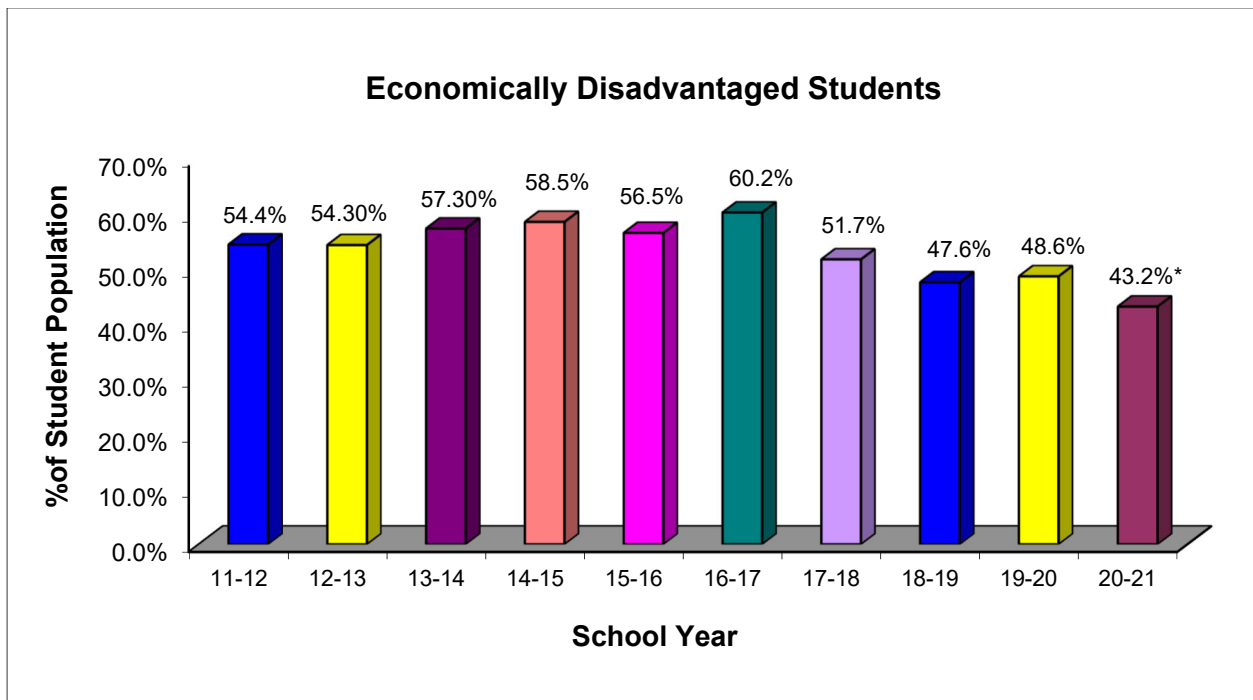
STUDENT POPULATION TRENDS IN CHARLOTTE-MECKLENBURG SCHOOLS

Diversity and complex learning needs

As our community continues to become increasingly diverse, Charlotte-Mecklenburg Schools (CMS) also serves numbers of students who come to school with complex learning needs that require additional support and specialized services.

CMS data and national research indicate that all students can learn and achieve at high levels when challenged with high expectations, and given the guidance, support and attention they need to succeed. Effective early childhood programs, smaller class sizes, guidance and health and social services, English as a Second Language instruction and an intense focus on literacy and math are all designed to help CMS narrow the achievement gap between poor and minority students and their more affluent peers.

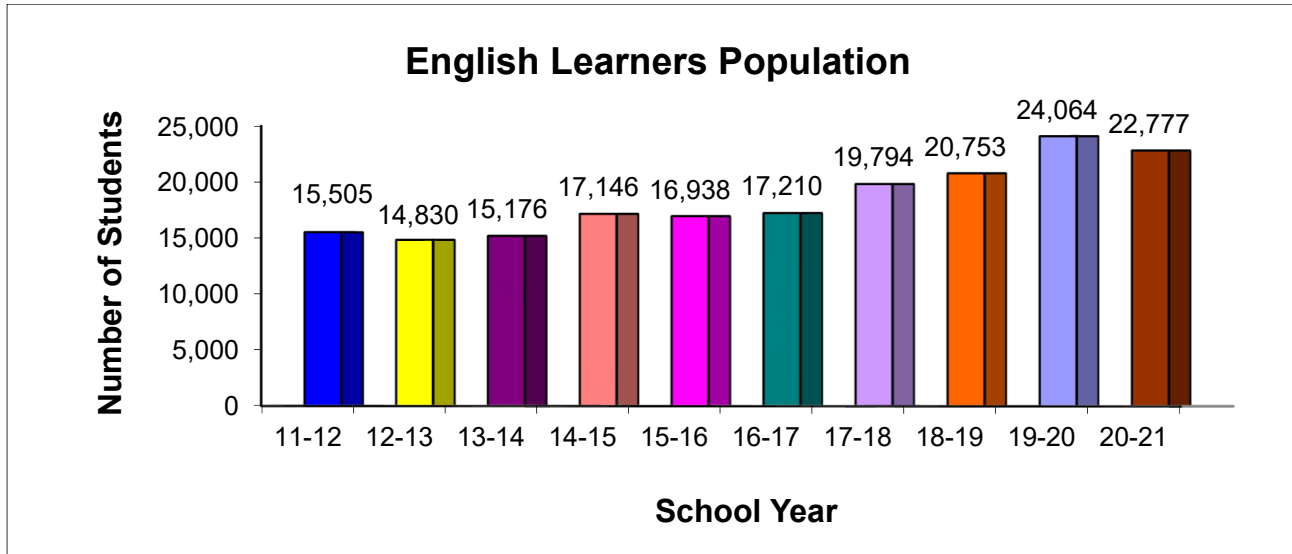
CMS serves a large number of economically disadvantaged students (EDS) who qualify for the federal assistance lunch program. The number of CMS students who qualify for federal assistance decreased to 43.2% in 2020-21 as calculated by the new formula noted below.



* Due to the 2014-15 implementation of the USDA Community Eligibility Provision, the district is using a formula designed by USDA for calculating the district poverty rate. The new formula uses the percentage of enrolled students that have been identified by the state agency as qualifying for free meals based on eligibility for poverty based programs. The percentage of identified students is then multiplied by a factor as determined by USDA to get the official EDS as determined by the USDA. The current factor is 1.6. This percentage is calculated as of April 1st of each year.

STUDENT POPULATION TRENDS IN CHARLOTTE-MECKLENBURG SCHOOLS

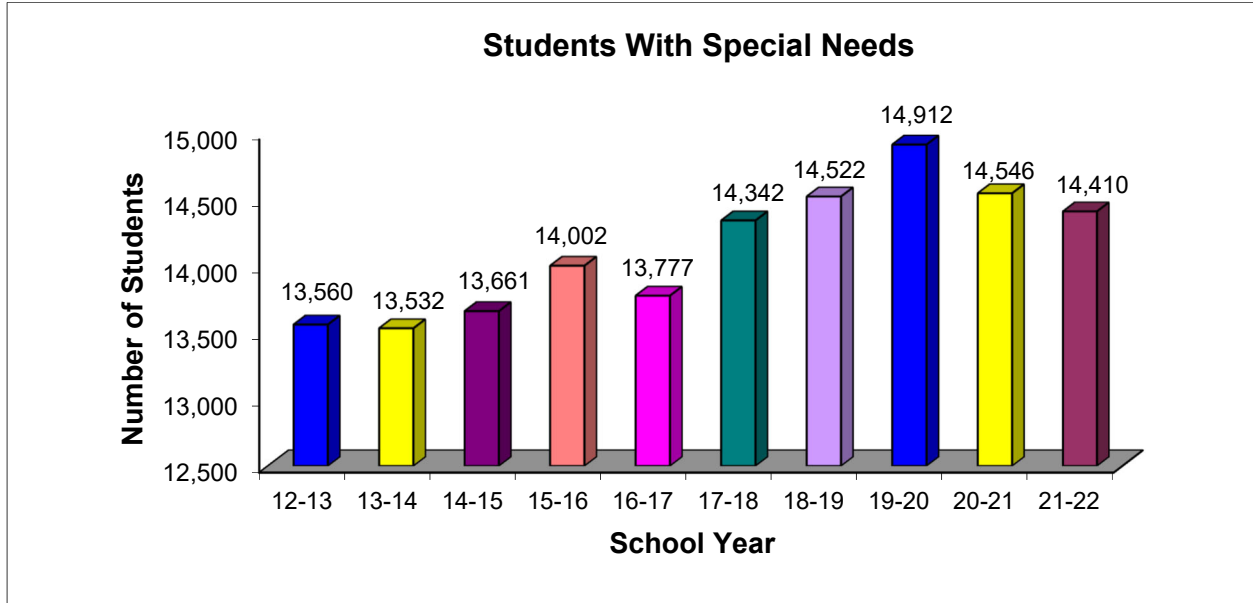
The number of English Learner (EL) students decreased in 2020-21 by a similar percentage to the overall enrollment decline, likely the result of the pandemic. This year's PreK-12 EL count is 22,777 - a decrease from last year's count of 1,287. Within CMS, more than 45,888 K-12 students speak a language other than English at home. CMS students speak 204 different languages and come from 184 countries. The top five home languages are Spanish, Vietnamese, French, Arabic and Telugu. That represents a 46.9% growth rate since the 2011-12 school year. The following chart shows the trend in this population of students.



CMS is known throughout the Carolinas for its strong programs for exceptional children. These programs include services for students with special needs that range from mild speech delays to significant physical and cognitive disabilities. CMS also provides highly acclaimed programs and services for gifted and talented students.

STUDENT POPULATION TRENDS IN CHARLOTTE-MECKLENBURG SCHOOLS

According to the December 1, 2021 child count, 14,410 CMS students have diagnosed disabilities that affect learning and qualify the student for special education and supplementary services as defined by the U.S. Department of Education.

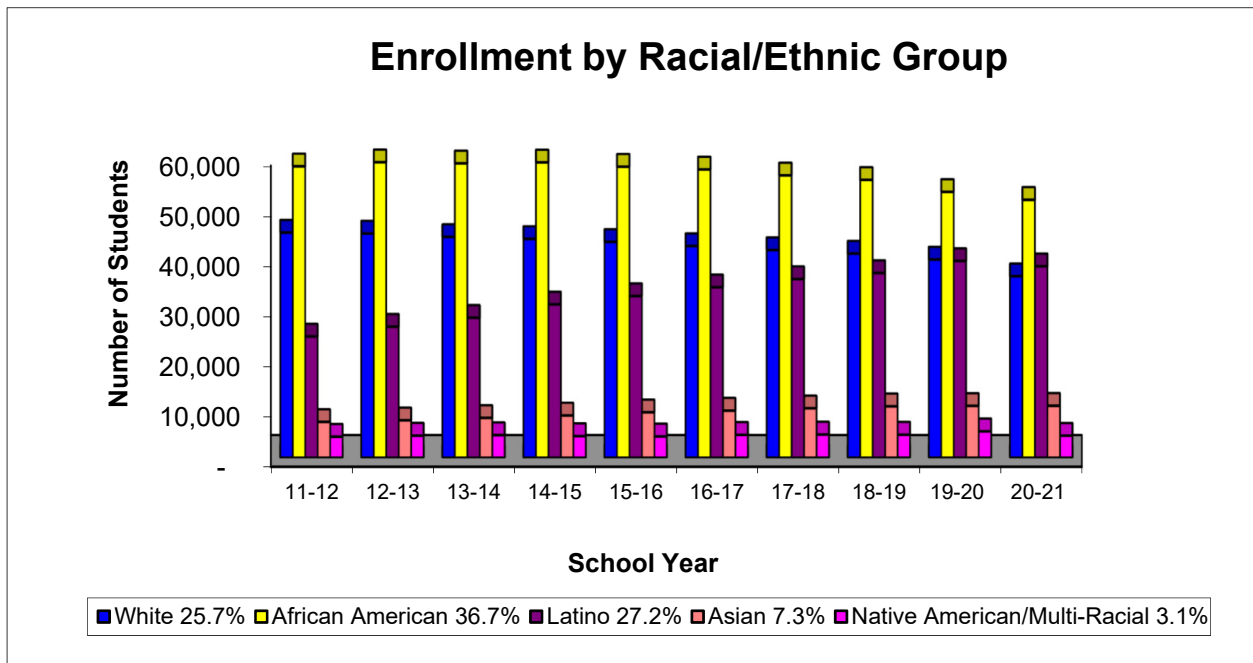


CMS also serves approximately 15,742 identified gifted and talented students. CMS is committed to providing a high quality education for every student. The district's goal is to ensure that programs and resources are in place to support the individual needs of each student and, in 2022-23, we anticipate student needs to increase. However, funding must be available to make this goal a reality. We are grateful for the federal funding provided to address the impacts of the pandemic on our students and staff.

STUDENT POPULATION TRENDS IN CHARLOTTE-MECKLENBURG SCHOOLS

CMS Student Population At A Glance 2020-21*

American Indian/Multiracial/Pacific Islander	3.1 %
Asian	7.3%
African-American	36.7%
Hispanic/Latino	27.2%
White	25.7%
Economically Disadvantaged Students	35.65%
Native languages	204
Countries represented	184
English Learners	22,777
Students with Special Needs	14,546

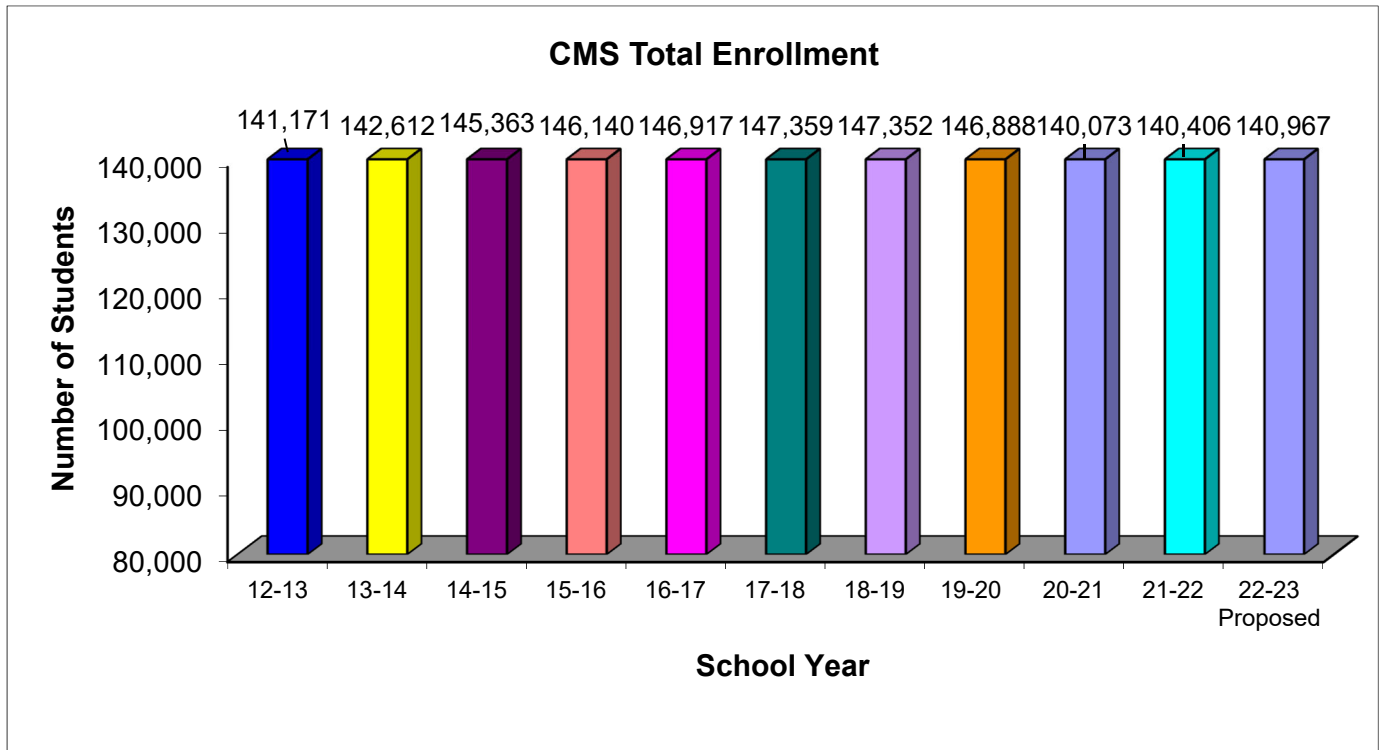


*CMS 20th day count

STUDENT POPULATION TRENDS IN CHARLOTTE-MECKLENBURG SCHOOLS

Enrollment

Enrollment in 2021-22 increased by 333 students. Since 2012-13, CMS has decreased by 765 students to an enrollment of 140,406 students in the 2021-22 school year. Enrollment for the 2022-23 school year is projected to increase by 561 students.

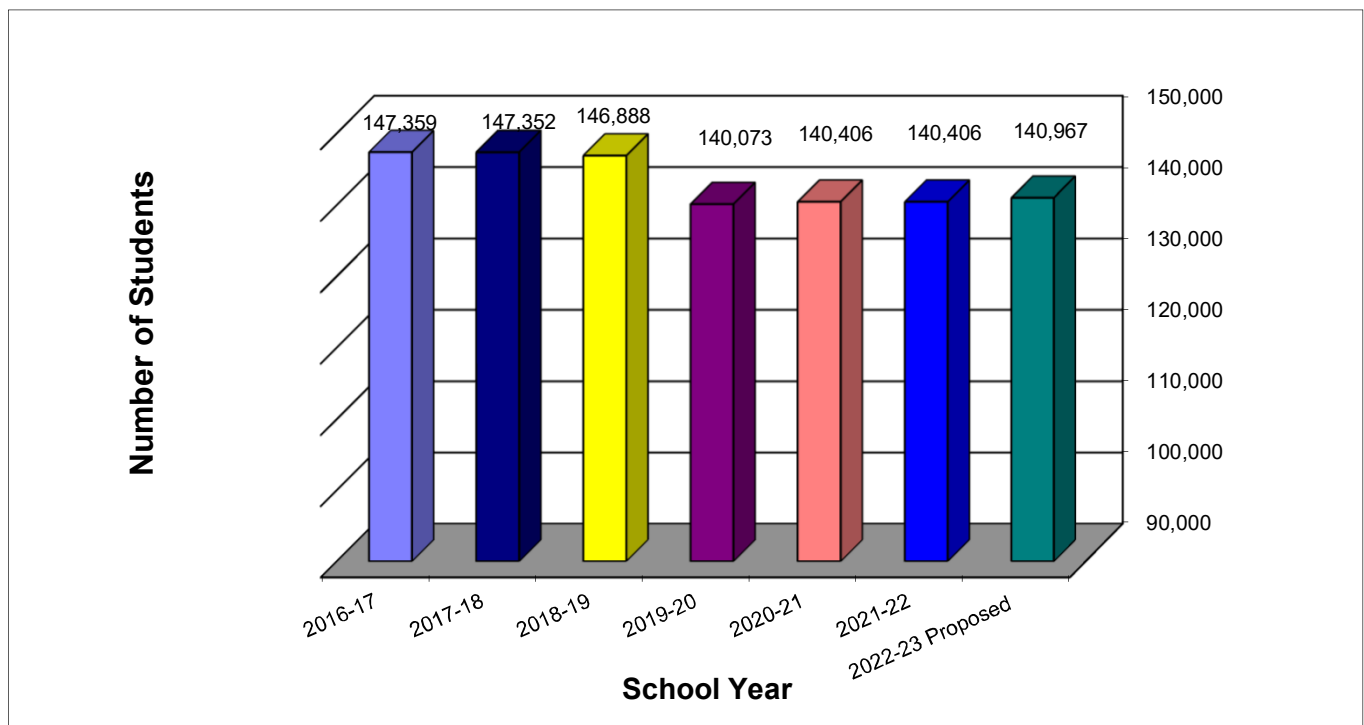


*CMS 20th day count

SIX YEAR ENROLLMENT COMPARISON BY GRADE LEVEL

Grades	2022-23 Projected	2021-22 Actual*	2020-21 Actual*	2019-20 Actual*	2018-19 Actual*	2017-18 Actual*
K	10,617	10,250	9,608	10,750	10,824	11,067
1	10,222	9,839	10,206	11,103	11,260	11,214
2	9,837	10,043	10,481	11,043	11,153	11,433
3	10,401	10,449	10,552	11,046	11,409	11,949
4	10,179	10,465	10,561	11,345	11,850	12,039
5	10,311	10,403	10,807	11,678	11,788	11,611
6	10,331	10,426	10,850	11,529	11,365	11,018
7	10,566	11,056	11,070	11,375	11,075	10,861
8	11,613	11,326	11,016	11,308	11,012	10,229
9	13,133	13,761	12,413	12,952	11,978	12,702
10	12,356	11,442	11,421	10,787	11,553	11,506
11	9,830	9,649	9,168	9,964	10,028	10,170
12	9,331	9,071	9,733	9,970	10,097	9,702
Special	2,241	2,226	2,187	2,038	1,960	1,858
TOTAL ENROLLMENT	<u>140,967</u>	<u>140,406</u>	<u>140,073</u>	<u>146,888</u>	<u>147,352</u>	<u>147,359</u>

* End of First Month (20th Day)

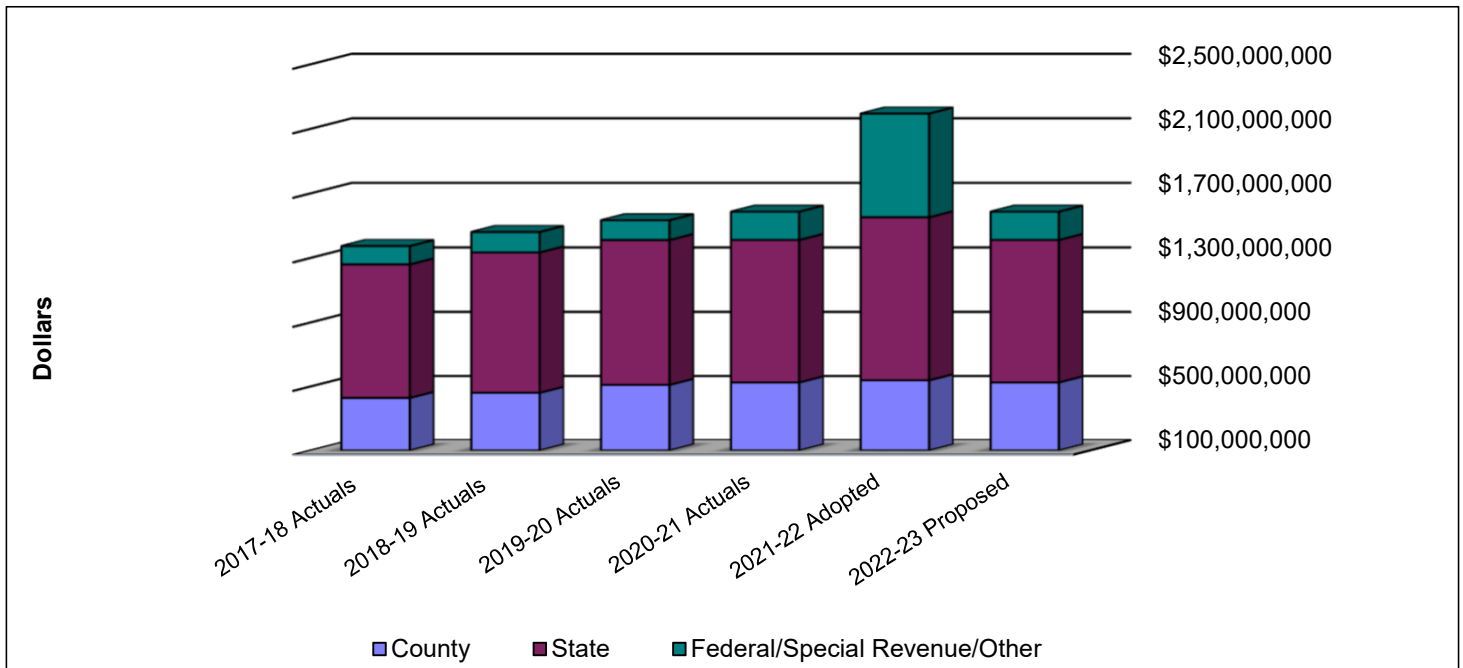


CURRENT EXPENSE SIX YEAR EXPENDITURE COMPARISON

County		State		Federal/Special Revenue/Other		Total	
Dollars	% Incr.	Dollars	% Incr.	Dollars	% Incr.	Dollars	% Incr.

2022-23 Proposed Budget*	\$ 579,017,308	7.6%	\$ 992,105,441	-2.1%	\$ 493,779,688	-23.2%	\$ 2,064,902,437	-5.9%
2021-22 Adopted Budget*	\$ 538,015,366	2.5%	\$ 1,013,744,060	14.4%	\$ 642,555,330	266.5%	\$ 2,194,314,756	38.3%
2020-21 Actuals	\$ 524,932,548	3.0%	\$ 886,101,359	-1.7%	\$ 175,307,683	42.9%	\$ 1,586,341,590	3.5%
2019-20 Actuals	\$ 509,451,701	10.8%	\$ 901,082,340	3.2%	\$ 122,712,892	-3.3%	\$ 1,533,246,933	5.0%
2018-19 Actuals	\$ 459,864,612	7.4%	\$ 873,526,095	5.1%	\$ 126,949,812	11.6%	\$ 1,460,340,519	6.3%
2017-18 Actuals	\$ 428,136,763	3.5%	\$ 831,244,689	4.7%	\$ 113,764,919	-17.5%	\$ 1,373,146,371	2.0%

Note: % Increase represents the percentage increase over the prior year.



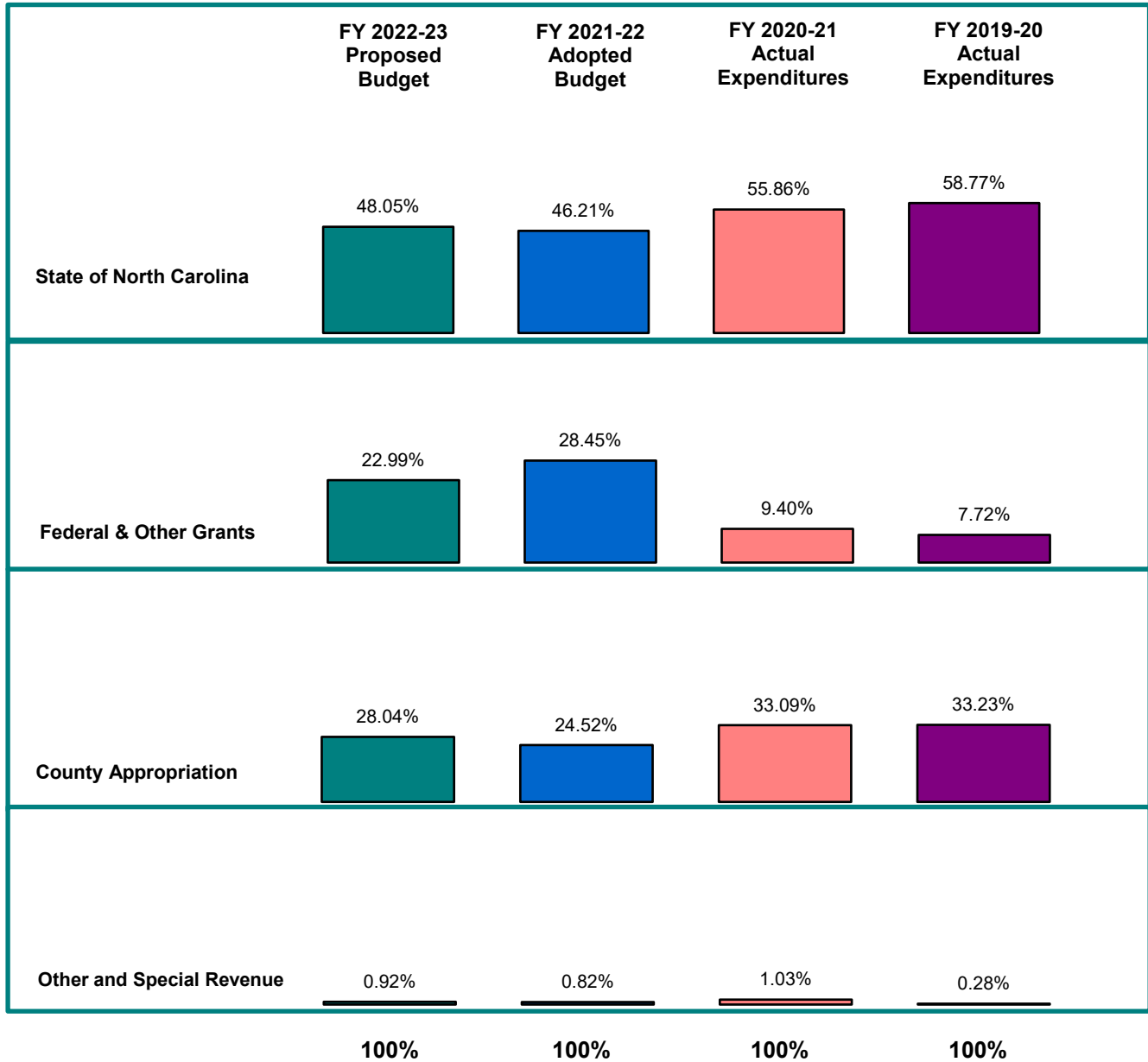
* The federal funding increase is due to the temporary federal COVID funding. Refer to the Federal COVID Response Funding tab at the end of this book for additional details related to this temporary funding source.

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COMPARATIVE EXPENDITURES BY FUNDING SOURCE

	FY 2022-23 Proposed Budget	FY 2021-22 Adopted Budget	FY 2020-21 Actual Expenditures	FY 2019-20 Actual Expenditures
State of North Carolina	\$ 992,105,441	\$ 1,013,744,060	\$ 886,101,359	\$ 901,082,340
Federal and Other Grants	474,681,995	624,246,069	149,105,821	118,307,298
County Appropriation	579,017,308	538,015,366	524,932,548	509,451,701
Other and Special Revenue	19,097,693	18,309,261	26,201,862	4,405,594
Total	\$ 2,064,902,437	\$ 2,194,314,756	\$ 1,586,341,590	\$ 1,533,246,933

COMPARATIVE EXPENDITURES PERCENTAGE BY SOURCE

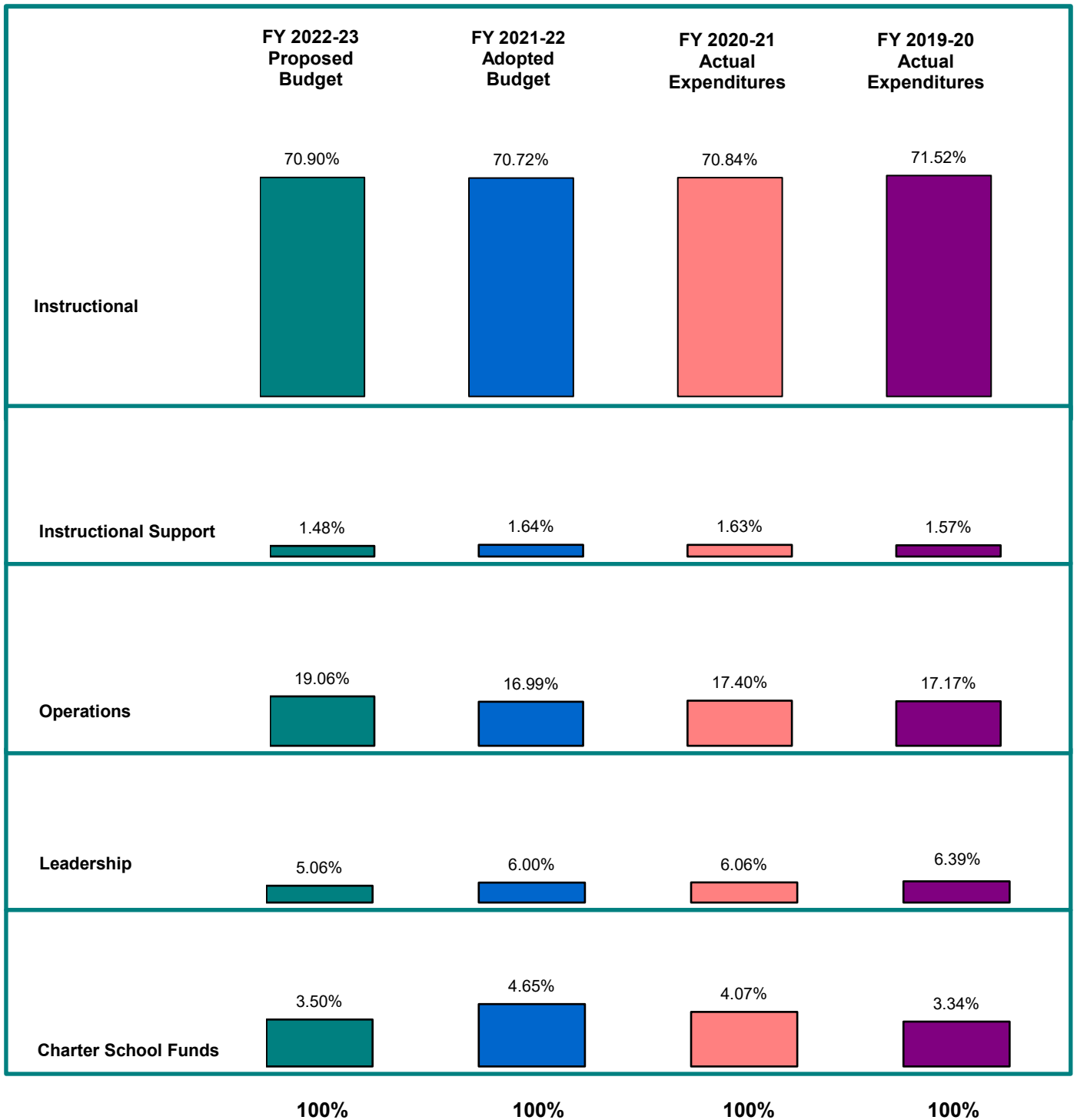


Note: Vertical bar graphs are not intended to be proportional across categories.

COMPARATIVE EXPENDITURES BY MAJOR FUNCTION

	2022-23 Proposed Budget	2021-22 Adopted Budget	2020-21 Actual Expenditures	2019-20 Actual Expenditures
Instructional				
Regular Instructional	\$ 887,186,204	\$ 911,678,610	\$ 741,805,449	\$ 738,789,791
Special Populations	228,091,527	216,648,295	170,745,101	167,877,986
Alternative Programs	223,988,879	296,670,511	108,488,070	90,688,929
Co-Curricular	6,755,658	6,928,670	5,083,626	5,994,338
School-Based Support	<u>117,456,716</u>	<u>123,757,935</u>	<u>95,656,787</u>	<u>82,795,440</u>
Total Instructional	1,463,478,984	1,555,684,021	1,121,779,033	1,086,146,483
Instructional Support				
Support and Development	14,362,240	14,968,291	12,926,765	12,178,384
Special Population Support and Development	4,397,725	4,459,426	4,390,073	4,648,674
Alternative Programs Support and Development	6,518,196	8,814,732	4,682,622	4,320,610
System-wide Pupil Support	<u>4,527,470</u>	<u>4,319,907</u>	<u>3,978,671</u>	<u>3,857,731</u>
Total Instructional Support	29,805,631	32,562,356	25,978,131	25,005,399
Operations				
Technology Support	20,556,437	22,045,888	26,443,498	30,203,797
Operational Support	289,068,983	287,298,782	204,872,991	204,231,383
Financial and Human Resource Services	28,245,719	27,190,690	21,941,677	21,280,471
Accountability	13,666,044	5,459,669	4,801,294	4,843,031
Community Services	856,053	803,898	2,366,291	599,285
Nutrition Services	1,752,859	4,107,512	5,912,990	2,048,970
Unbudgeted Funds	14,184,034	58,212,465	-	-
Interfund Transfers	-	-	-	-
Other	<u>11,485,081</u>	<u>13,012,233</u>	<u>3,204,944</u>	<u>3,590,078</u>
Total Operations	379,815,211	418,131,137	269,543,684	266,797,015
Leadership				
Policy, Leadership and Public Relations	20,775,443	21,116,436	16,498,527	15,703,146
School Leadership Services	<u>88,662,765</u>	<u>90,003,022</u>	<u>78,758,439</u>	<u>77,225,358</u>
Total Leadership	109,438,208	111,119,458	95,256,967	92,928,504
Charter School Funds	82,364,404	76,817,784	73,783,775	62,369,533
Total	<u>\$ 2,064,902,437</u>	<u>\$ 2,194,314,756</u>	<u>\$ 1,586,341,590</u>	<u>\$ 1,533,246,933</u>

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
INSTRUCTION TAKES TOP PRIORITY



Note: Vertical bar graphs are not intended to be proportional across categories.

COMPARATIVE EXPENDITURES BY OBJECT CODE

	2021-22 Adopted Budget	2020-21 Adopted Budget	2020-21 Actual Expenditures	2019-20 Actual Expenditures
Salaries	\$ 1,115,854,428	\$ 1,195,163,401	\$ 894,098,943	\$ 893,592,103
Benefits	479,490,502	468,898,615	348,147,990	331,685,028
Purchased Services	252,139,438	294,552,649	143,319,766	145,176,799
Materials and Supplies	134,405,162	158,233,803	119,854,069	94,659,936
Furniture and Equipment	648,503	648,503	7,137,047	4,876,054
Charter School Pass-through	<u>82,364,404</u>	<u>76,817,784</u>	<u>73,783,775</u>	<u>63,257,013</u>
Total	<u>\$ 2,064,902,437</u>	<u>\$ 2,194,314,756</u>	<u>\$ 1,586,341,590</u>	<u>\$ 1,533,246,933</u>

PRIMARY INVESTMENT IS IN OUR PEOPLE



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