



2020-2021 Superintendent's
Proposed Budget Recommendation
Executive Summary • March 24, 2020



We Are CMS

Charlotte-Mecklenburg Board of Education

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Overview

OUR KIDS NEED EQUITY, PEOPLE, AND SUPPORT

An open letter from the superintendent

To the Charlotte-Mecklenburg Board of Education:

This budget proposal comes to you amid the challenges of an unparalleled health crisis caused by the COVID-19 pandemic. In addition, we did not have a state budget enacted for the current year, and there is again uncertainty surrounding the timing of a new state budget. However, we are committed to looking ahead and preparing for the future needs of our students and staff. Our budget proposal is built on our top priority of educating every student as well as possible. Our proposal for the 2020-2021 operating budget requires local funding in four categories. These are: sustaining operations, investing in our employees, student growth and additional space, and program expansion and new initiatives.

Sustaining operations addresses our ability to maintain services we currently provide. We must pay a local supplement for additional enhancement teachers provided by the state. We also are requesting \$1.3 million for the second year of our Enterprise Resource Planning Systems modernization project. In all, we are requesting a total increase for sustaining operations of \$2 million.

For investing in our employees, we are requesting \$3.3 million in local funds to provide salary increases for locally funded staff. In addition, there are adjustments that will make the district more competitive in hiring and set a new minimum pay rate at \$14.11 per hour for all hourly staff. There are also state-mandated increases in health insurance and retirement rates. In all, we are seeking \$11.7 million for investing in our employees.

We have budgeted \$12 million for student growth and additional space. This includes a \$9.9 million increase for growth in student enrollment and charter school enrollment. We also are requesting \$2.1 million for additional facility maintenance and operating costs.

For the final category, program expansion and new initiatives, we are requesting \$11.2 million. This includes an increase of \$3.4 million as we continue to add student support staffing and social and emotional learning support, and \$1.9 million for Exceptional Children staffing and special education support. The increase also covers safety and security, Building Services staffing and preventive maintenance.

We do not know the economic and financial impacts we will face as a result of COVID-19, but our mission remains clear. This budget proposal is built on our commitment to educating every student. We hope you will support it.

Sincerely,

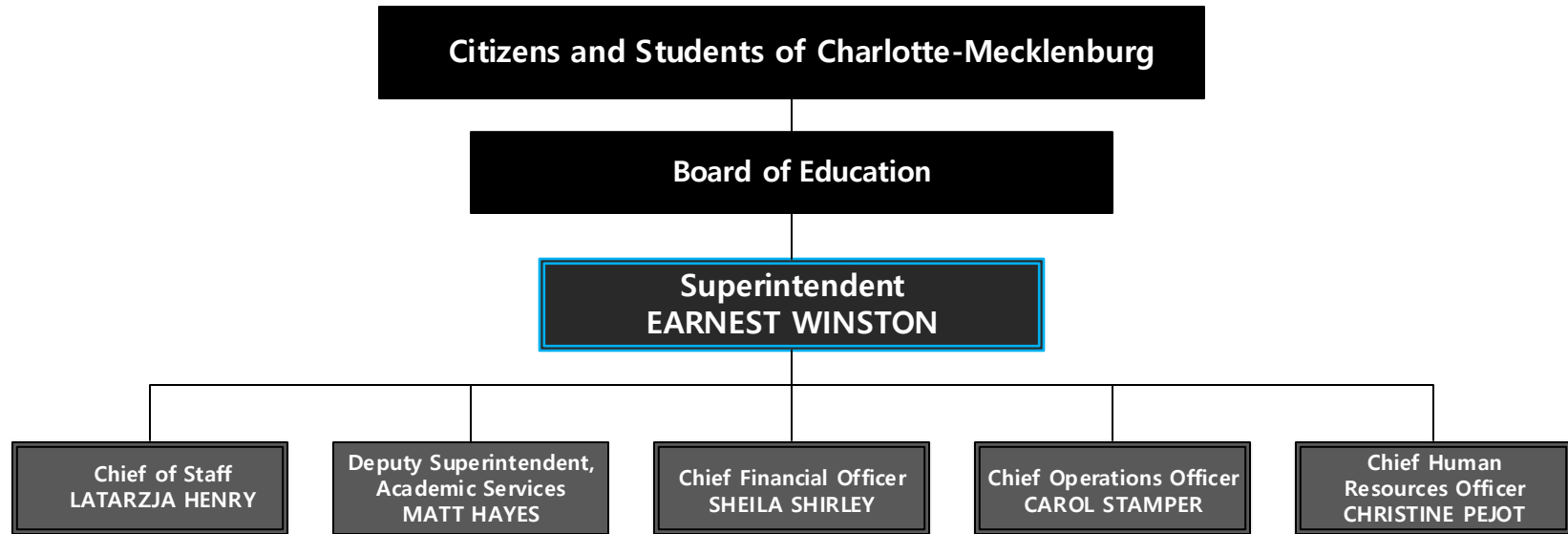


Earnest Winston
Superintendent

Charlotte-Mecklenburg Schools

District Organization Chart

2019 – 2020





Chairperson, At-Large

Elyse Dashew
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Vice-Chairperson, District 2

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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,

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

Our district is operating in uncertain times caused by the COVID-19 pandemic. We have challenges that were once unthinkable – but we are continuing to meet the needs of our students as well as possible during the state-mandated schools closure currently in place. We are offering supplemental online-learning opportunities and providing thousands of nourishing meals for students who need them most.

There also continues to be uncertainty surrounding a new state budget. Nonetheless, Charlotte-Mecklenburg Schools remains committed to moving forward and preparing for the future needs of our students and staff. Our budget proposal reflects what will always be our top priority: the well-being and education of our students.

In our proposal for the 2020-2021 operating budget, we are requesting support from Mecklenburg County in four areas: sustaining operations, investing in our employees, student growth and additional space, and program expansion and new initiatives.

- **Sustaining operations:** We are asking the county for \$3 million to maintain the same level of services we currently provide. The funds will cover a local supplement for enhancement teachers, a local salary supplement for school mental health support positions and the modernization of our Enterprise Resource Planning Systems.
- **Investing in our employees:** This request will allow us to provide salary increases for locally funded staff and to make pay adjustments to keep the district competitive in hiring. We also will increase the minimum wage for employees to \$14.11 per hour and cover state-mandated increases in the employer-paid portions of health insurance and retirement rates. The total request for employee investment comes to \$12.3 million.
- **Student growth and additional space:** To meet the increase in student enrollment, we are seeking \$10.9 million, the majority of which will cover the continued enrollment growth in charter schools. The request also includes \$1.6 million for additional facility space, and maintenance and operating costs. The total request for student growth and additional space is \$12.6 million.
- **Program expansion and new initiatives:** We are requesting a total of \$14.6 million; \$6.5 million of that will allow us to continue to add student support staffing, and social and emotional learning support. The remainder will cover Exceptional Children staffing and special education support, safety and security, the CMS Teaching Residency and Building Services staffing and preventive maintenance.

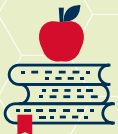
Our budget reflects our top priority: to ensure the success of our students. We are committed to helping every student learn and achieve during these unprecedented times and beyond.

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.

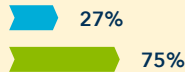
TARGETS ■ 2018 CURRENT ■ 2024 TARGET



Graduate 100% of students.



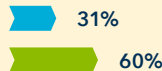
% of students graduate with their 4-year cohort



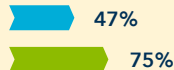
% of students graduate with at least one DPI endorsement



Increase access to rigorous coursework.



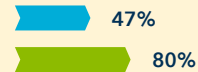
% of students completing Math 1 by the end of 8th grade



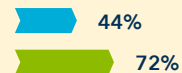
% of students completing at least one college level course



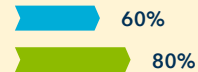
Cut achievement gaps of college and career readiness by at least half (50%) overall and for each sub-group.



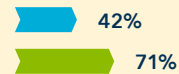
3rd Grade English/Language Arts



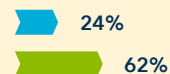
5th Grade English/Language Arts



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



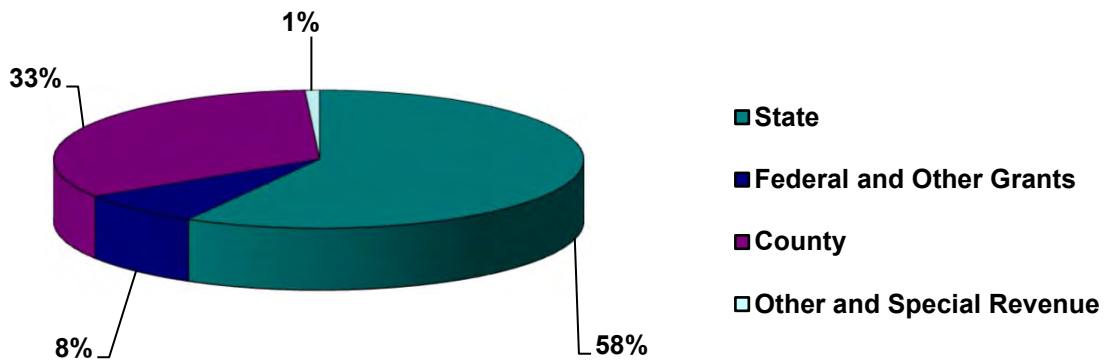
% of employees refer others to work at CMS



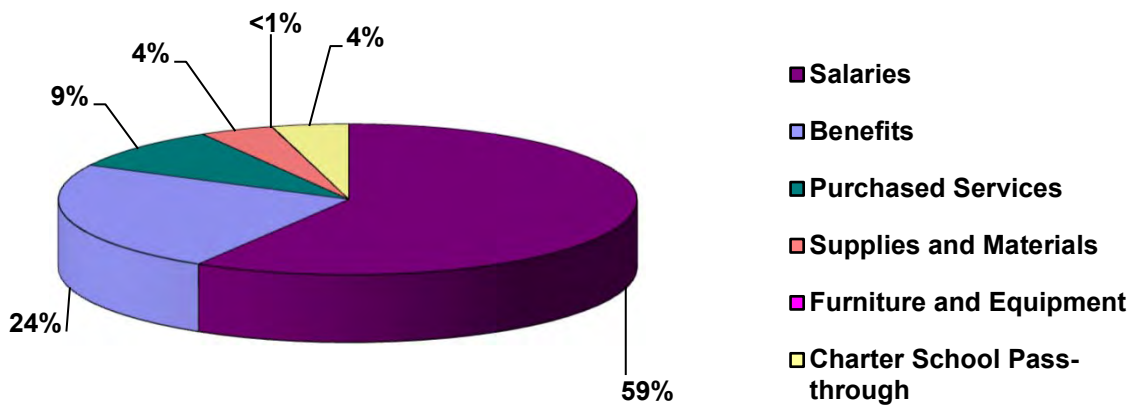
% of school-age children in Mecklenburg attend a CMS school

2020-21 PROPOSED BUDGET: SOURCES AND USES

Sources



Uses



**2020-21 PROPOSED CURRENT EXPENSE BUDGET:
COMPARISON TO PRIOR YEAR**

	2020-21 Proposed Budget	2019-20 Adopted Budget	% Change
REVENUES			
State of North Carolina	\$ 945,060,982	\$ 917,276,105	3.0%
Federal and Other Grants	126,376,446	133,941,671	-5.6%
Mecklenburg County Appropriation	538,335,246	509,451,701	5.7%
Other and Special Revenue	14,515,000	14,336,697	1.2%
TOTAL REVENUES	<u>\$ 1,624,287,674</u>	<u>\$ 1,575,006,174</u>	<u>3.1%</u>
EXPENDITURES			
Instructional			
Regular Instructional	\$ 768,615,571	\$ 744,293,638	3.3%
Special Populations	178,844,838	174,213,418	2.7%
Alternative Programs and Services	109,686,563	109,774,604	-0.1%
Co-Curricular	6,778,180	6,673,760	1.6%
School-Based Support	90,208,361	87,943,752	2.6%
Total Instructional	1,154,133,513	1,122,899,172	2.8%
Instructional Support			
Support and Development	13,309,521	12,714,670	4.7%
Special Population Support and Development	4,314,915	5,087,918	-15.2%
Alternative Programs Support and Development	5,419,580	5,698,737	-4.9%
System-wide Pupil Support	3,999,824	3,977,986	0.5%
Total Instructional Support	27,043,840	27,479,311	-1.6%
Operations			
Technology Support	30,119,282	32,079,207	-6.1%
Operational Support	210,137,803	202,493,016	3.8%
Financial and Human Resource Services	23,742,910	23,012,445	3.2%
Accountability	5,522,975	5,393,773	2.4%
Community Services	561,025	549,353	2.1%
Nutrition Services	349,705	350,648	-0.3%
Other	3,143,344	3,205,331	-1.9%
Total Operations	273,577,044	267,083,773	2.4%
Leadership			
Policy, Leadership and Public Relations	17,597,658	17,870,118	-1.5%
School Leadership Services	82,749,376	79,486,836	4.1%
Total Leadership	100,347,034	97,356,954	3.1%
Charter School Pass-through	69,186,243	60,186,964	15.0%
TOTAL EXPENDITURES	<u>\$ 1,624,287,674</u>	<u>\$ 1,575,006,174</u>	<u>3.1%</u>

2020-21 Budget Process Calendar

Nov 12-22, 2018	Budget Kick Off Meetings with Fund Owners
Jan 13 - Feb 13	Cabinet Strategy Work Sessions
Feb 4 6:30pm-8:00p	Student Advisory Council- <i>Budget Engagement</i> (CMGC)
Feb 25	CFO and budget staff budget review executive staff
March 5	Professional Organizations – <i>Budget Engagement</i>
March 5	Board of Education Work Session - <i>Budget update</i> (1:00 p.m., Small Group Meeting)
March 5 6:30pm-8:00p	Community Engagement Workshop – <i>gather feedback</i> Rama Road Elementary School
March 12 6:30pm-8:00p	Community Engagement Workshop – <i>gather feedback</i> Frances Bradley Middle School
March 17	Leadership Team Meeting – <i>Budget update</i>
March 18	Superintendent’s Teacher Advisory Council (STAC) – <i>Budget Update</i> (Cancelled)
March 24	Superintendent presents 2020-2021 Budget Recommendation (6:00 p.m. Regular BOE Meeting)
April 2 6:30pm-8:00p	Community Engagement Workshop – <i>gather feedback</i> Westerly Hills Academy (Cancelled)
April 8	Public hearing on Superintendent’s budget recommendation / tentative budget work session (6:00 p.m. Regular BOE Meeting)
April 9 6:30pm-8:00p	Community Engagement Workshop – <i>gather feedback</i> Polo Ridge Elementary School (Cancelled)
April 28	Board of Education approval of 2020-2021 Budget Request (6:00 p.m., Regular BOE Meeting)
May 1	Board of Education’s 2020-2021 Budget Request submitted to the county
May 1	County Manager’s Recommended Operating and Capital Budgets presented to BOCC (TBD)

2020-21 Budget Process Calendar

May 7	Public hearing on county's budget (6:00 p.m., CMGC Meeting Chamber)
May 13	Board of Education/Board of County Commissioners workshop on budget (TBD)
May 26-27	BOCC Straw vote to approve budget (6:00 p.m., CMGC Meeting Chamber)
June 2	County adopts 2020-2021 Operating Budget (6:00 p.m., CMGC Meeting Chamber)
TBD	2020-2021 Operating Budget finalized and approved by BOE

NOTE: Public engagement sessions cancelled due to concerns surrounding COVID-19.

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Proposed Operating Budget

Proposed
Operating Budget



**2020-2021 PROPOSED CURRENT EXPENSE BUDGET:
SUMMARY OF CHANGES TO 2019-2020 BASE BUDGET**

	State	County	Federal and Other Grants	Other and Special Revenue	Total
2019-2020 ADOPTED BUDGET	\$ 917,276,105	\$ 509,451,701	\$ 133,941,671	\$ 14,336,697	\$ 1,575,006,174
REVISIONS TO 2019-2020 ADOPTED BUDGET					
Revisions to Base Budget*	(8,900,252)	(8,000,000)	(10,152,307)	136,860	(26,915,699)
Sub-Total	(8,900,252)	(8,000,000)	(10,152,307)	136,860	(26,915,699)
2019-2020 BASE BUDGET	908,375,853	501,451,701	123,789,364	14,473,557	1,548,090,475
REDUCTIONS/REDIRECTIONS					
Reductions/Redirection of Funds to Alternative Uses	-	-	-	-	-
Sub-Total	-	-	-	-	-
I. SUSTAINING OPERATIONS					
A. Program Continuation	5,970,491	2,020,224	-	-	7,990,715
Sub-Total	5,970,491	2,020,224	-	-	7,990,715
II. INVESTING IN OUR EMPLOYEES					
A. Salaries and Benefits	30,073,576	11,689,813	2,587,082	41,443	44,391,914
Sub-Total	30,073,576	11,689,813	2,587,082	41,443	44,391,914
III. STUDENT GROWTH AND ADDITIONAL SPACE					
A. Enrollment Growth	-	9,869,361	-	-	9,869,361
B. Additional Facility Space	641,062	2,082,684	-	-	2,723,746
Sub-Total	641,062	11,952,045	-	-	12,593,107
IV. PROGRAM EXPANSION					
A. Student Support Staffing/Social & Emotional Learning	-	3,393,859	-	-	3,393,859
B. Exceptional Children Staffing	-	1,891,288	-	-	1,891,288
C. Safety and Security	-	796,443	-	-	796,443
D. Building Services Staffing and Preventive Maintenance	-	5,139,873	-	-	5,139,873
Sub-Total	-	11,221,463	-	-	11,221,463
TOTAL 2020-2021 PROPOSED CURRENT EXPENSE BUDGET	\$ 945,060,982	\$ 538,335,246	\$ 126,376,446	\$ 14,515,000	\$ 1,624,287,674

* Includes state revisions, reduction for prior year one-time fund balance appropriation and anticipated revenue adjustments to 2019-20 Adopted Budget.

Explanation of Change	Description	State Cost	Local Cost
I. Sustaining Operations			
Change Reference: I.A.			
A. <u>Program Continuation</u>			
1. <u>House Bill 90 Enhancement Teachers</u>			
House Bill 90 provides additional positions to schools to address the phase in of class size requirements over four years. Specifically, the bill creates an allotment for program enhancement teachers (i.e. art disciplines including dance, music, theater and the visual arts, as well as physical education, health programs, and world languages). This legislation phases in funding for the newly created enhancement teacher allotment and started in the 2018-19 school year. CMS is estimated to receive approximately 90 positions in 2020-21, therefore, funding is included to provide the local salary supplement for 90 teacher positions.	Salaries & Benefits	<u>5,970,491</u>	<u>720,224</u>
2. <u>Enterprise Resource Planning (ERP) Systems Modernization</u>			
Recognizing our dated technology is rapidly becoming unsustainable, the State Board of Education has commenced a multiyear project to modernize core systems (finance, payroll, human resources, capital planning) used by DPI and local school administrative units.	Purchased Services		<u>1,300,000</u>
<p>The modernization program will improve process and data integration (e.g. state/local licensure) while increasing operational efficiency, data management, and compliance monitoring. The integrated platform will provide common state and local reporting with advanced analytics to enable more informed decisions and actionable insights. The contemporary technology (Software-as-a-Service – Cloud) will constantly evolve with new capabilities and enhancements delivered annually to improve process automation, reduce errors and deliver a better employee experience allowing CMS to reinvest efficiency gains into our core mission. Funding is included for ERP licensing and implementation support for year 2 of the modernization project.</p>			
Total Investing In Our Employees		<u>5,970,491</u>	<u>2,020,224</u>

II. Investing In Our Employees

Change Reference: II.A

Explanation of Change	Description	State Cost	Local Cost
A. Salaries and Benefits			
1. Salary Increase			
While the state budget for fiscal year 2020 was not enacted, we are planning for salary increases consistent with the Conference budget approved by the state legislature in June 2020. This plan includes salary increases of an average 2.1% for school administration, an average 2.1% for certified staff, and 1% for non-certified staff. If approved the state will make the appropriate state budget adjustments to cover this increase for state paid employees. Local funds are needed to provide an equivalent increase for locally funded staff.	Salaries & Benefits	<u>15,055,828</u>	<u>3,347,362</u>
2. Phase II Market Rate Adjustments			
In an effort to align ourselves with the national, state and local trend toward increasing the minimum wage and establish a minimum pay comparable to the Charlotte living wage, we will set the CMS minimum pay rate \$14.11 per hour. All employees who currently earn under \$14.11 will be moved to the new minimum. To address compression and equity within the district, employees will be placed at or above the minimum based on experience. Funds are included to implement Phase II as described above for hourly staff.	Salaries & Benefits		<u>2,865,144</u>
3. Health Insurance Rate Increase			
It is estimated that the employer-paid portion of the state health insurance rate will increase from \$6,306 to \$6,647 annually which represents a 5% increase. It is anticipated that 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	<u>4,398,298</u>	<u>1,087,384</u>
4. Retirement Rate Increase			
The employer-paid portion of the state retirement plan rate is anticipated to increase from 19.70% to 21.44% of eligible earnings annually. Funds are included to provide the state mandated increase for all full-time positions.	Salaries & Benefits	<u>10,619,450</u>	<u>4,389,923</u>
Total Investing In Our Employees		<u>30,073,576</u>	<u>11,689,813</u>

III. Student Growth and Additional Space

Change Reference: III. A

Explanation of Change	Description	State Cost	Local Cost																					
A. Student Enrollment Growth Costs																								
1. Special Populations Growth - Exceptional Children Staffing																								
<p>Student enrollment is expected to increase by 315 students in 2020-21 for a total enrollment of 147,203. According to the Individuals with Disabilities Education Act (IDEA), students with disabilities (SWD) must be afforded a Free and Appropriate Public Education (FAPE) with supplemental aids and supports that are required to access the Least Restrictive Environment (LRE) in accordance with students' Individualized Education Programs (IEPs). Programs for Exceptional Children (EC) focus on providing special education and related services via an inclusive practices model that maximizes opportunities for students in the LRE. Related services include but are not limited to speech-language therapy, occupational therapy, and individual nursing care. The provision of additional teachers and related service providers aligns with the district's goal of providing great teachers and rigorous academic instruction with graduation as the goal.</p> <p>The Department of Public Instruction (DPI) provides EC Teacher class size and caseload capacities for all North Carolina school districts. As more students are identified who require the Extensions Program, grades K-12, or a Preschool Separate Class setting, additional classes have been opened across the district. The classes are strategically located in schools to allow students to attend school with their cohort of non-disabled peers through elementary, middle and high school and the distribution of classes aligns with the current district student assignment plan. The additional classes impact the number of Extensions Teachers, EC Pre-K Teachers, and the Assistants needed to support the programs. The number of students who require speech-language therapy has increased over the past few years. Childcount funding does not include funds for related services. In order to meet student service needs and address class size caseload requirements, the following teacher positions are needed: 2 PreK Teachers, and 2 PreK Assistants, 3 Speech Pathologists, 5 Extensions Teachers.</p> <table style="margin-left: 40px; margin-top: 20px;"> <thead> <tr> <th></th> <th style="text-align: center;"><u>State</u></th> <th style="text-align: center;"><u>Local</u></th> </tr> </thead> <tbody> <tr> <td>EC Staffing</td> <td></td> <td></td> </tr> <tr> <td> Speech Therapists</td> <td></td> <td style="text-align: center;">3.0</td> </tr> <tr> <td> EC Teachers</td> <td></td> <td style="text-align: center;">5.0</td> </tr> <tr> <td> Teachers</td> <td></td> <td style="text-align: center;">2.0</td> </tr> <tr> <td> Teacher Assistants</td> <td style="text-align: center;">-</td> <td style="text-align: center;"><u>2.0</u></td> </tr> <tr> <td> Total</td> <td style="text-align: center;">-</td> <td style="text-align: center;">12.0</td> </tr> </tbody> </table>		<u>State</u>	<u>Local</u>	EC Staffing			Speech Therapists		3.0	EC Teachers		5.0	Teachers		2.0	Teacher Assistants	-	<u>2.0</u>	Total	-	12.0	Salaries & Benefits		870,082
	<u>State</u>	<u>Local</u>																						
EC Staffing																								
Speech Therapists		3.0																						
EC Teachers		5.0																						
Teachers		2.0																						
Teacher Assistants	-	<u>2.0</u>																						
Total	-	12.0																						
2. Charter School Enrollment Growth																								
<p>Based on the projected increase in charter school student enrollment and additional county funding, funding is included to increase our charter school pass-through budget so we can meet our statutory obligation to charter schools. Charter-school enrollment of Mecklenburg County students is expected to increase by 1,807 students.</p>	Other		<u>8,999,279</u>																					
Total Student Enrollment Growth		-	<u>9,869,361</u>																					

III. Student Growth and Additional Space

Change Reference: III. B

Explanation of Change	Description	State Cost	Local Cost
B. New Schools - Staffing and Operating Costs			
1. Additional Staffing			
One new K-8 school and two replacement schools are scheduled to open in August 2020. The schools require staffing to provide instruction and support services. This request also includes the local supplement for state and locally paid positions including 3 teachers, 3 Arts Education, and 1 Media Coordinator . Estimated additional positions are as follows:	Salaries & Benefits	641,062	379,955
		<u>State</u>	<u>Local</u>
Principals		1.0	
Media Coordinator		1.0	
Facilitators			3.0
In-School Suspension Assistant		1.0	
Teachers, K-3		6.0	
Secretary, Administrative		2.0	1.0
Total		<u>11.0</u>	<u>4.0</u>
2. SRO Contract			
The safety of our students is important. By providing additional school resource officers to our school campuses we demonstrate the value we have to provide a safe learning environment for all students. It also shows our staff that we care about the safety of everyone. School Resource Officers can help prevent school violence, provide support and assistance to at risk children, divert youth from the criminal justice process and create a safe, secure learning and teaching environment. A school resource officer is included in this budget request for adding an additional grade level at a K-8 school.	Purchased Services		60,000
3. Maintenance and Operating Costs for All Additional Space			
The opening of one new school, two replacement schools, and major facility renovations coming on line will result in the addition of 338,707 total square feet in our facilities. In order to properly maintain this additional square footage, funds are included at a minimum of \$4.85 per square foot to cover staffing, utilities, and various contracted services.	Salaries & Benefits		971,365
	Supplies & Materials		324,085
	Purchased Services		<u>347,279</u>
		<u>State</u>	<u>Local</u>
Head Custodian I			1.0
Head Custodian II			1.0
Custodian			10.0
Roofer II			2.0
HVAC			2.0
Facilities Project Managers			<u>2.0</u>
Total		<u>-</u>	<u>18.0</u>
Total Maintenance and Operating Costs			
Total New Schools - Staffing and Operating Costs		<u>641,062</u>	<u>2,082,684</u>

IV. Program Expansion and New Initiatives

Change Reference: IV.A.

Explanation of Change	Description	State Cost	Local Cost
A. Student Support Staffing/Social and Emotional Learning Support			
CMS is committed to maximizing academic achievement and ensuring that all schools are safe places where every child feels welcome, engaged and nurtured. A growing body of evidence shows that social and emotional well-being is the foundation for emerging cognitive abilities. In the school setting, student services staff are key personnel in the development of healthy social and emotional mindsets for children. To best prepare students for academic growth and development, CMS must have counselors, psychologists and social workers in schools to support all students.	Salaries & Benefits		3,124,177
	Supplies & Materials		24,682
	Purchased Services		<u>245,000</u>
			<u><u>3,393,859</u></u>

In the 2019-2020 budget year, a total of 80 student services positions were added - 55 funded by the county and 25 funded by the state House Bill 75. This resulted in a continuing reduction in ratios. Additionally, the department developed new supports to improve services for non-English speaking students as well as supports to strengthen practices for students with diagnosed medical conditions. The 2019-2020 ratios below reflect staff to student ratios after the addition of the traditional school counselor, social worker, and psychologist positions. For fiscal year 2020-2021, there is a request to add 15 school counselors, 15 social workers, 5 school psychologists and 2 intensive behavioral specialists.

Job Title	2018-19	2019-20	2020-21	National Recommended Ratios
School Counselor ratio	1:363	1:332	1:322	1:250
School Social Worker ratio	1:2302	1:1614	1:1389	1:250
School Psychologist ratio	1:1797	1:1597	1:1518	1:700
Enrollment	147,352	146,888	147,203	

*The department also previously added 5 bilingual service providers and 10 Section 504 counselors; these are not included in the ratio calculations above since they serve a targeted high risk student population rather than all students.

IV. Program Expansion and New Initiatives

Change Reference: **IV.B.**

<u>Explanation of Change</u>	<u>Description</u>	<u>State Cost</u>	<u>Local Cost</u>
B. Exceptional Children Staffing/Special Education Support			
According to the Individuals with Disabilities Education Act (IDEA), students with disabilities (SWD) must be afforded a Free and Appropriate Public Education (FAPE) with supplemental aids and supports that are required to access the Least Restrictive Environment (LRE) in accordance with students' Individualized Education Programs (IEPs).	Salaries & Benefits		1,041,288
	Purchased Services		<u>850,000</u>
Programs for Exceptional Children (EC) focuses on providing special education and related services via an inclusive practices model that maximizes opportunities for students in the LRE. Related services include but are not limited to speech-language therapy, occupational therapy, and individual nursing care. The provision of additional teachers and related service providers aligns with the district's goal of providing great teachers and rigorous academic instruction with graduation as the goal.			1,891,288
70 Meck PreK classes will open in 2020-2021, with an approximate 70 more preschool SWDs who require special education services. The Occupational Therapists (OT) now have additional responsibilities which includes a new OT evaluation requirement in the state policies per the Autism category, increased focus on and requests for handwriting intervention due to the newly adopted EL curriculum, and Section 504 evaluations and services. In order to meet services to students and address class size caseload requirements, the following related service positions are needed: 4 Itinerant Pre-K Teachers and 2 Occupational Therapists.			
Evolving medical practices have afforded students who are diagnosed with significant health conditions the opportunity to attend school and receive FAPE with healthcare supports in place during the school day and during transport to and from school. The number of students who require nursing as a related service has increased over the past few years from 52 in 2015-16 to 84 as of December 1, 2019. and the costs have increased as well. Contracted services are utilized to support students with nursing needs. The EC Program submits applications to DPI for Risk Pool and Special State Reserve funding to supplement healthcare costs for individual students; however, the funding awards only cover a portion of the students who require nursing and cover only a portion of the total amount needed to manage their care. Nursing services cost approximately \$2,000,000.00 per year. An additional \$850,000 is needed to cover healthcare costs for 2020-2021.			

IV. Program Expansion and New Initiatives

Change Reference: IV.B. (Continuation)

Explanation of Change	Description	State Cost	Local Cost
<p>IDEA requires that SWD have access to the general education curriculum since all students are general education students first and it is expected that the majority of students will take state assessments and score proficient or higher. The Academic performance of SWD indicates the need for additional research-based training of teachers and school leaders. The EC Program provided professional development to the 99 TSI schools through Targeted Support and Improvement School funds during 2019-2020. The trainings now need to be replicated with the 80 non-TSI schools during 2020-2021. To meet Every Student Succeeds Act (ESSA) requirements, instruction for SWD must be improved. This professional development aligns with providing standards-aligned instruction for students. Existing funding will be used for professional development activities and teacher substitutes so teachers can participate in these professional development sessions.</p>			

IV. Program Expansion and New Initiatives

Change Reference: IV.C.

Explanation of Change	Description	State Cost	Local Cost
<p>C. Safety and Security The safety of our students is important. By providing additional security personnel to our school campuses we demonstrate the value we have to provide a safe learning environment for all students. It also shows our staff that we care about the safety of everyone. Funding for 15 additional campus security associates is requested. Additionally, CMS has already installed electronic door locks on most doors at all CMS school sites. These locks are crucial to provide a safe learning environment for CMS students. However, these locks need to be maintained, repaired and replaced on a consistent basis. Funding is being requested to add 2 Locksmiths and electronic specialists to maintain, repair and replace these locks. Funds are also requested to cover costs associated with providing off-duty police officers at locations with increased traffic.</p>	Salaries & Benefits		<u>796,443</u>

Change Reference: IV.D.

Explanation of Change	Description	State Cost	Local Cost
<p>D. Building Services Preventive Maintenance Preventive Maintenance (PM) is the foundation for effectively managing facilities assets. A good PM program ensures that equipment and systems perform reliably and efficiently and obtain their anticipated longevity. Preventive maintenance aims to maintain equipment in optimal condition, reduce the risk of system breakdowns and emergency repairs, and optimize the operating costs. As the name implies, PM work is carried out on 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. Funding is requested to cover the expenses associated with maintaining HVAC, ceiling tiles, doors, windows and electrical systems and the addition of a Facilities Planning director.</p>	Purchased Services		<u>5,139,873</u>

Total Program Expansion and New Initiatives	-	<u><u>11,221,463</u></u>
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**2020-21 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	194,160	502,514	-	696,674
Office of General Counsel	-	3,161,799	-	3,161,799
Financial Services	290,592	11,222,571	481,738	11,994,901
Chief of Staff	145,296	372,376	331,479	849,151
Communications Services	-	2,098,479	-	2,098,479
Community Relations & Engagement, Ombudsman	289,758	2,262,479	379,672	2,931,909
Human Resources Services	1,104,024	15,084,756	305,778	16,494,558
Subtotal	2,023,830	34,704,974	1,498,667	38,227,471
OPERATIONAL SERVICES				
Chief Operations Officer	145,296	212,277	-	357,573
Operations Support Services	-	272,371	-	272,371
Graphic Production Center	-	980,604	-	980,604
Technology Services	15,735,069	17,089,844	345,681	33,170,594
Building Services	22,537,568	70,672,331	10,369,623	103,579,522
Inventory Management	4,790,201	4,902,253	-	9,692,454
Safety, Environmental Health & Risk Management	583,184	896,533	-	1,479,717
Transportation	66,252,469	13,757,209	-	80,009,678
Athletics	-	4,961,356	1,573,220	6,534,576
CMS Police Department	11,985,176	3,262,586	-	15,247,762
Community Use of Facilities	-	-	561,025	561,025
Enterprise Funds Program Support	-	45,643	304,062	349,705
Subtotal	122,028,963	117,053,007	13,153,611	252,235,581
LEARNING SERVICES				
Deputy Superintendent, Academic Services	220,489	2,566,139	64,783	2,851,411
Department of Educational Leadership	-	987,483	295,692	1,283,175
Office of School Performance	2,839,842	6,084,083	3,045,645	11,969,570
Learning and Teaching PreK-5	-	461,240	-	461,240
Elementary Curriculum	-	737,896	-	737,896
K-12 Literacy	10,855,361	2,621,503	-	13,476,864
North Carolina Pre-K Program	-	-	15,242,316	15,242,316
Bright Beginnings Pre-K Program	-	12,132,517	14,930,879	27,063,396
Learning and Teaching 6-12	-	1,041,652	251,065	1,292,717
Secondary Curriculum	-	1,498,252	-	1,498,252
Advanced Studies	7,928,499	3,161,266	-	11,089,765

**2020-21 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	195,335	1,038,845	-	1,234,180
ROTC Program	-	3,909,219	1,859,078	5,768,297
Drivers Education	3,150,590	6,055	-	3,156,645
Fine Arts, Health, and Physical Education	-	1,670,188	-	1,670,188
Learning Communities	1,014,330	3,975,342	707,186	5,696,858
Federal Programs	-	-	43,130,056	43,130,056
Exceptional Children Services	90,013,836	13,069,173	36,990,806	140,073,815
English Learner Services	19,096,529	10,005,647	4,038,432	33,140,608
Student Discipline & Behavior Support	1,424,187	827,597	241,106	2,492,890
Student Records, Placement, and Planning Services	-	1,634,013	-	1,634,013
Accountability Services	1,200,739	4,140,221	150,776	5,491,736
Equity Services	435,888	1,034,213	-	1,470,101
Student Assignment and School Choice	852,156	1,123,942	-	1,976,098
Career and Technical Education	<u>48,479,308</u>	<u>8,800,118</u>	<u>2,170,509</u>	<u>59,449,935</u>
Subtotal	187,707,089	82,526,604	123,118,329	393,352,022
SCHOOL PERFORMANCE SERVICES				
SCHOOLS DIVISION				
School Admin. Support Services	78,258,561	62,081,741	3,120,839	143,461,141
Classroom Teachers	479,989,573	138,261,455	-	618,251,028
Support Positions	46,071,526	28,530,258	-	74,601,784
Assistants	28,981,440	5,990,964	-	34,972,404
Charter Schools	<u>-</u>	<u>69,186,243</u>	<u>-</u>	<u>69,186,243</u>
Subtotal	633,301,100	304,050,661	3,120,839	940,472,600
TOTAL	<u>\$ 945,060,982</u>	<u>\$ 538,335,246</u>	<u>\$ 140,891,446</u>	<u>\$ 1,624,287,674</u>

**2020-21 PROPOSED REVENUE BUDGET:
REVENUE CATEGORIES BY FUNDING SOURCE**

REVENUE CATEGORY	STATE	COUNTY	FEDERAL/SPECIAL REVENUE/ OTHER	TOTAL
Classroom Teachers	\$ 480,833,494	\$ -	\$ -	\$ 480,833,494
Central Office Administration	3,246,857	-	-	3,246,857
Non-Instructional Support Personnel	43,978,849	-	-	43,978,849 *
School Building Administration	34,176,508	-	-	34,176,508
Instructional Support Personnel	55,626,514	-	-	55,626,514
Non-Contributory Employee Benefits	7,449,243	-	-	7,449,243
Driver Training	3,150,590	-	-	3,150,590
Career & Technical Ed. - Months of Employment	46,547,046	-	-	46,547,046
Career & Technical Ed. - Program Support	1,932,262	-	-	1,932,262
School Technology Fund	2,876,702	-	-	2,876,702
Summer Reading Camps	5,033,174	-	-	5,033,174
Advanced Teaching Roles	687,808	-	-	687,808
Disadv. Student Supplemental Funding	5,546,044	-	-	5,546,044
Teacher Assistants	40,594,113	-	-	40,594,113
Behavioral Support	295,406	-	-	295,406
Digital Learning	75,193	-	-	75,193
Children with Disabilities	68,217,015	-	-	68,217,015
Academically/Intellectually Gifted	8,260,725	-	-	8,260,725
Limited English Proficiency	18,200,504	-	-	18,200,504
High School Learn and Earn	900,000	-	-	900,000
Transportation of Pupils	63,910,437	-	-	63,910,437
Classroom Materials/Supplies	1,302,684	-	-	1,302,684 *
Children w/Special Needs	1,316,864	-	-	1,316,864
Assistant Principal Intern - MSA Student	36,298	-	-	36,298
At-Risk/Alternative Schools	29,278,371	-	-	29,278,371
School Connectivity	751,969	-	-	751,969
Special Position Allotment	121,381	-	-	121,381
State Textbook Allotment	4,004,071	-	-	4,004,071 *
Textbook and Digital Resources	2,789,873	-	-	2,789,873 *
Modernization	13,920,987	-	-	13,920,987
Mecklenburg County	-	538,335,246	-	538,335,246
Career & Technical Ed. - Program Improvement	-	-	2,170,509	2,170,509
McKinney-Vento Homeless	-	-	75,000	75,000
IDEA VI-B - Preschool Handicapped	-	-	636,246	636,246
ESEA Title I - Basic	-	-	47,032,944	47,032,944
North Carolina Pre-K	-	-	15,242,316	15,242,316
IDEA Title VI-B	-	-	25,232,157	25,232,157
IDEA Early Intervening Services (EIS)	-	-	5,516,856	5,516,856
IDEA VI B - Special Education State Improvement Grant	-	-	10,000	10,000
IDEA VI B – Children with Disabilities	-	-	710,209	710,209
IDEA VI-B Special Needs	-	-	11,422	11,422
IDEA Preschool Targeted Assistance	-	-	46,353	46,353
Title II - Improving Teacher Quality	-	-	5,573,744	5,573,744
Title III - Language Acquisition	-	-	3,496,235	3,496,235
Title III - Language Acquisition Sign. Inc.	-	-	453,717	453,717
Title I - School Improvement	-	-	4,219,215	4,219,215
Title I - School Improvement - 1003G	-	-	2,118,013	2,118,013
Title VII – Indian Education Grant	-	-	24,750	24,750
ESEA Title IV - Student Supp. & Acad. Enrichment	-	-	3,790,075	3,790,075

**2020-21 PROPOSED REVENUE BUDGET:
REVENUE CATEGORIES BY FUNDING SOURCE**

REVENUE CATEGORY	STATE	COUNTY	FEDERAL/SPECIAL REVENUE/ OTHER	TOTAL
21st Century Grant	-	-	261,107	261,107
National Institute of Justice - Discipline Disparities	-	-	659,197	659,197
Teacher in Residence	-	-	22,754	22,754
DSS Reimbursement	-	-	824,784	824,784
National Board Services	-	-	5,383	5,383
ROTC Reimbursement	-	-	1,939,910	1,939,910
Admin Outreach/Direct Svcs - Medicaid	-	-	4,936,331	4,936,331
Regional Alternative Licensing Center	-	-	283,024	283,024
County Sheriff Reimbursement	-	-	313,020	313,020
County Bond Reimbursement	-	-	374,781	374,781
Burroughs Wellcome Fund	-	-	29,480	29,480
CMS Foundation	-	-	276,517	276,517
Broad Residency in Urban Education	-	-	59,400	59,400
MDRC Grant	-	-	30,997	30,997
Athletics	-	-	1,475,000	1,475,000
Rental of School Property	-	-	1,620,000	1,620,000
Indirect Costs	-	-	7,605,000	7,605,000
Tuition & Fees	-	-	535,000	535,000
Interest Earned on Investment	-	-	1,625,000	1,625,000
Restitution	-	-	30,000	30,000
Police Sales	-	-	25,000	25,000
Fund Balance	-	-	1,600,000	1,600,000
TOTAL	\$ 945,060,982	\$ 538,335,246	\$ 140,891,446	\$ 1,624,287,674

* Includes impact of planned ABC transfers.

Green 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.

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

Blue 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>	\$480,833,494
	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>	\$3,246,857
	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>	\$43,978,849
	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.	
005	<u>School Building Administration</u>	\$34,176,508
	Provides funding for salaries and associated benefits for principals and assistant principals.	
007	<u>Instructional Support Personnel – Certified</u>	\$55,626,514
	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>	\$7,449,243
	Provides funding for salaries and associated benefits to provide for annual leave, short-term disability and	
012	<u>Driver Training</u>	\$3,150,590
	Provides funding for making available public education to all students on driver safety and training.	
013	<u>Career & Technical Education - Months of Employment</u>	\$46,547,046
	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>	\$1,932,262
	Provides funding to assist in expanding, improving, modernizing, and developing quality Career and Technical Education programs.	
015	<u>School Technology Fund</u>	\$2,876,702
	Provides funding for the development and implementation of a local school technology plan.	
016	<u>Summer Reading Camps</u>	\$5,033,174
	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.	\$687,808
024	<u>Disadvantaged Student Supplemental Funding</u> Provides funding to support the needs of disadvantaged students.	\$5,546,044
027	<u>Teacher Assistants</u> Provides funding for salaries and associated benefits for teacher assistants in regular and self-contained classrooms.	\$40,594,113
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.	\$295,406
030	<u>Digital Learning Initiative</u> State competitive grant to support the development and dissemination of local innovative digital learning models. The goal is to have effective digital learning practices spread across all North Carolina K-12 public schools, as part of the Digital Learning Plan.	\$75,193
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.	\$68,217,015
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.	\$8,260,725
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.	\$18,200,504
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.	\$63,910,437

PROPOSED BUDGET BY REVENUE CATEGORY

061	<u>Classroom Materials/Instructional Supplies/Equipment</u> Provides funding for instructional materials and supplies, instructional equipment, and testing support.	\$1,302,684
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.	\$1,316,864
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.	\$36,298
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.	\$29,278,371
073	<u>School Connectivity</u> Provides funding to support the enhancement of the technology infrastructure for public schools.	\$751,969
096	<u>Special Position Allotment</u> Provides funding for salary and associated benefits for local teacher on loan to the state.	\$121,381
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.	\$4,004,071
131	<u>State Textbook Allotment</u> Used to transfer funds for textbooks and digital resources not purchased through the Textbook Warehouse.	\$2,789,873
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 and will be adjusted to reflect the new State funding model when the NEXT fiscal year budget is adopted.	\$13,920,987
	<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.	\$538,335,246
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.	\$2,170,509
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.).	\$75,000

PROPOSED BUDGET BY REVENUE CATEGORY

049	<u>IDEA VI-B – Preschool Handicapped</u>	\$636,246
	Provides funds to initiate and expand preschool special education programs for children with disabilities	
050	<u>ESEA Title I – Basic</u>	\$47,032,944
	Provides funding to supplement and provide special help to educationally deprived children from low income families.	
413	<u>North Carolina Pre-K</u>	\$15,242,316
	Provides funding for high quality educational experiences in order to enhance Kindergarten readiness for four-year-olds who are at risk of school failure.	
060	<u>IDEA Title VI-B</u>	\$25,232,157
	Provides funding to initiate, expand, and continue special education to handicapped children ages 3	
070	<u>IDEA Early Intervening Services (EIS)</u>	\$5,516,856
	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	
082	<u>IDEA VI B – Special Education State Improvement Grant</u>	\$10,000
	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.	
114	<u>IDEA VI B – Children with Disabilities – Risk Pool</u>	\$710,209
	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.	
118	<u>IDEA VI-B Special Needs</u>	\$11,422
	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.	
119	<u>IDEA Preschool Targeted Assistance</u>	\$46,353
	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.	
103	<u>Title II – Improving Teacher Quality</u>	\$5,573,744
	Provides funding to help increase the academic achievement of all students by ensuring that all teachers are highly qualified to teach.	

PROPOSED BUDGET BY REVENUE CATEGORY

104	<u>Title III – Language Acquisition</u>	\$3,496,235
	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	<u>Title III – Language Acquisition Significant Increase</u>	\$453,717
	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	<u>Title I – School Improvement</u>	\$4,219,215
	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).	
117	<u>Title I – School Improvement -1003G</u>	\$2,118,013
	Provides assistance for schools, which have been identified for Corrective Action, and Restructuring and have shown progress in improving student performance.	
310	<u>Title VII – Indian Education Grant</u>	\$24,750
	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	<u>ESEA Title IV - Student Support & Academic Enrichment</u>	\$3,790,075
	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.	
110	<u>21st Century Grant</u>	\$261,107
	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.	
374	<u>Discipline Disparities - (NIJ)</u>	\$659,197
	Provides funding to improve the outcomes for African American males in CMS high schools by reducing out of school suspensions and increase academic achievement.	
083	<u>Teacher in Residence</u>	\$22,754
	Provides funding for operating expenses reimbursed by DPI for coordination of regional projects for instructional personnel.	

PROPOSED BUDGET BY REVENUE CATEGORY

812/813	<u>DSS Reimbursement</u>	\$824,784
	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.	
880	<u>National Board Services</u>	\$5,383
	Provides funding to support teachers in attaining their national board for professional teaching standards certification. The National Board for Professional Teaching Standards improves teaching and student learning.	
301	<u>ROTC Reimbursement</u>	\$1,939,910
	Provides funding for salaries and associated benefits for ROTC classroom teachers.	
305/306	<u>Administrative Outreach Claiming for Education Program</u>	\$4,936,331
	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>	\$283,024
	Provides funding to assist lateral entry teachers in NC to achieve a full professional educator's license.	
069	<u>County Sheriff Reimbursement</u>	\$313,020
	Provides funding for salaries and associated benefits for positions supporting the jail education program in the Alternative Education department.	
980	<u>County Bond Reimbursement</u>	\$374,781
	Provides funding for salaries and associated benefits for positions supporting the capital program.	
811	<u>Burroughs Wellcome Fund</u>	\$29,480
	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.	
970	<u>MDRC Grant</u>	\$30,997
	The MDRC Grant funds a random assignment evaluation project that introduces multi-tiered systems of support for behavior into selected elementary schools nationwide. The goal of the project is to answer questions about the effectiveness of implementing the MTSS-B infrastructure and universal supports with fidelity. Additionally, the project will consider the added value of implementing targeted interventions once the MTSS-B infrastructure and universal supports are in place. Participating CMS schools are: Barringer Academic Center, Berewick Elementary, David Cox Road Elementary, Eastover Elementary, Huntingtowne Farms Elementary, Nations Ford Elementary, Oakdale Elementary and Tuckaseegee Elementary.	

PROPOSED BUDGET BY REVENUE CATEGORY

815	<u>Athletics</u>	\$1,475,000
	Provides funding for the support and operations of the district's middle schools athletics program.	
	<u>Rental of School Property</u>	\$1,620,000
	Provides funding for the operational costs of using school facilities after school hours and on the weekend.	
	<u>Indirect Costs</u>	\$7,605,000
	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>Tuition & Fees</u>	\$535,000
	Provides funding for the education of students residing outside of Mecklenburg County but enrolled in the school district.	
	<u>Interest Earned on Investments</u>	\$1,625,000
	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>Restitution</u>	\$30,000
	Provides funding for the repair or replacement of District property destroyed due to the negligence of an	
	<u>Police Sales</u>	\$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.	
	<u>Fund Balance</u>	\$1,600,000
	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.

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**2020-21 PROPOSED CURRENT EXPENSE BUDGET:
EXPENDITURES BY FUNDING SOURCE**

	2020-21 Proposed State Funds	2020-21 Proposed County Appropriation	2020-21 Proposed Federal/Special Revenue/Other	2020-21 Proposed Total Budget
EXPENDITURES				
Instructional				
Regular Instructional	\$ 579,806,234	\$ 181,299,561	\$ 7,509,776	\$ 768,615,571
Special Populations	114,913,626	28,501,479	35,429,733	178,844,838
Alternative Programs	25,298,237	19,005,057	65,383,269	109,686,563
Co-Curricular	-	5,392,755	1,385,425	6,778,180
School-Based Support	55,830,119	25,437,042	8,941,200	90,208,361
Total Instructional	<u>775,848,216</u>	<u>259,635,894</u>	<u>118,649,403</u>	<u>1,154,133,513</u>
Instructional Support				
Support and Development	633,823	11,651,579	1,024,119	13,309,521
Special Pop. Support and Development	2,334,658	1,756,380	223,877	4,314,915
Alternative Prog Support and Development	399,171	1,740,898	3,279,511	5,419,580
System-wide Pupil Support	133,076	3,866,748	-	3,999,824
Total Instructional Support	<u>3,500,728</u>	<u>19,015,605</u>	<u>4,527,507</u>	<u>27,043,840</u>
Operations				
Technology Support	14,818,252	15,301,030	-	30,119,282
Operational Support	92,111,093	106,935,971	11,090,739	210,137,803
Financial and Human Resource Services	585,407	22,162,303	995,200	23,742,910
Accountability	302,542	5,069,657	150,776	5,522,975
Community Services	-	-	561,025	561,025
Nutrition Services	-	45,643	304,062	349,705
Other	-	-	3,143,344	3,143,344
Total Operations	<u>107,817,294</u>	<u>149,514,604</u>	<u>16,245,146</u>	<u>273,577,044</u>
Leadership				
Policy, Leadership and Public Relations	2,080,266	14,056,723	1,460,669	17,597,658
School Leadership Services	55,814,478	26,926,177	8,721	82,749,376
Total Leadership	<u>57,894,744</u>	<u>40,982,900</u>	<u>1,469,390</u>	<u>100,347,034</u>
Charter School Pass-through	-	69,186,243	-	69,186,243
TOTAL EXPENDITURES	<u>\$ 945,060,982</u>	<u>\$ 538,335,246</u>	<u>\$ 140,891,446</u>	<u>\$ 1,624,287,674</u>

**2020-21 PROPOSED CURRENT EXPENSE BUDGET:
DETAIL EXPENDITURES BY FUNDING SOURCE**

Description	State	County	Federal/Special Revenue/Other	Grand Total
Salaries				
Board Member Salary/Exp. Allowance	\$ -	\$ 253,821	\$ -	\$ 253,821
Superintendent	145,721	156,313	-	302,034
Assoc. Supt./Chief Officer	1,288,344	1,069,671	176,347	2,534,362
Director/Supervisor	1,310,773	10,119,948	1,599,331	13,030,052
Principal	15,455,830	4,847,885	-	20,303,715
Assistant Principal	9,675,898	10,948,701	-	20,624,599
Area/Assistant Superintendent	107,714	789,907	-	897,621
<i>Administration</i>	<u>\$ 27,984,280</u>	<u>\$ 28,186,246</u>	<u>\$ 1,775,678</u>	<u>\$ 57,946,204</u>
	2.96%	5.24%	1.26%	3.57%
Teacher	417,305,162	43,859,501	13,991,626	475,156,289
ROTC Instructor	-	1,874,099	1,464,561	3,338,660
Extended Contracts	-	331,563	-	331,563
Social Worker/Counselor/ Media Spec.	32,404,477	11,318,374	2,498,350	46,221,201
Speech Pathologist/Audiologist	10,134,431	213,403	-	10,347,834
Psychologist	4,344,256	1,629,510	180,907	6,154,673
Deans/Facilitators	13,030,966	9,832,189	7,519,388	30,382,543
Supplementary Pay	-	87,642,898	6,853,858	94,496,756
Substitute - Certified	466,242	4,667,739	1,333,506	6,467,487
Bonus	-	60,000	152,175	212,175
Additional Responsibility Stipend	29,035	3,001,794	694,199	3,725,028
Staff Development Pay	390,402	411,101	2,286,627	3,088,130
<i>Professional Educator</i>	<u>\$ 478,104,971</u>	<u>\$ 164,842,171</u>	<u>\$ 36,975,197</u>	<u>\$ 679,922,339</u>
	50.59%	30.62%	26.24%	41.86%
Teacher/Media Assistant	26,544,460	5,563,671	12,639,209	44,747,340
Tutor	1,655,692	-	3,119,498	4,775,190
Interpreter/Translator	102,812	41,306	1,768,853	1,912,971
Physical/ Occupational Therapist	4,711,941	137,105	-	4,849,046
School-based Non-certified Support	2,197,143	377,594	4,913,158	7,487,895
Monitors	1,144,189	1,695,736	-	2,839,925
Non-Cert. Instructor - Driver/Alt Ed	300,940	-	-	300,940
Resource Officer/Campus Sec.	3,767,648	886,626	-	4,654,274
Market Adjustment	-	-	-	-
<i>Instructional Support Non-certified</i>	<u>\$ 40,424,825</u>	<u>\$ 8,702,038</u>	<u>\$ 22,440,718</u>	<u>\$ 71,567,581</u>
	4.28%	1.62%	15.93%	4.41%
Office Support	15,123,448	8,576,330	523,800	24,223,578
Technician- Technology	-	5,858,527	-	5,858,527
Administrative Specialist	1,501,189	20,449,323	1,821,459	23,771,971
Staff Development Pay	-	30,451	-	30,451
Market Adjustment	-	-	-	-
<i>Technical and Administrative Support</i>	<u>\$ 16,624,637</u>	<u>\$ 34,914,631</u>	<u>\$ 2,345,259</u>	<u>\$ 53,884,527</u>
	1.76%	6.49%	1.66%	3.32%

**2020-21 PROPOSED CURRENT EXPENSE BUDGET:
DETAIL EXPENDITURES BY FUNDING SOURCE**

Description	State	County	Federal/Special Revenue/Other	Grand Total
Driver	30,408,677	97,854	-	30,506,531
Driver Overtime/Additional Pay	64,476	1,372	104,500	170,348
Custodian	14,851,233	9,606,373	-	24,457,606
Skilled Trades	10,192,265	13,103,362	93,484	23,389,111
Operational Support Manager	-	430,154	-	430,154
One-time Bonus	-	694,000	-	694,000
Longevity Pay	1,590,070	611,845	629,275	2,831,190
Overtime Pay	396,788	876,533	202,881	1,476,202
Annual Leave	3,487,214	748,786	-	4,236,000
Disability Pay	692,519	94,183	-	786,702
Staff Development Pay	-	571	-	571
Market Adjustment	-	-	-	-
<i>Operational Support and Other</i>	<u>\$ 61,683,242</u>	<u>\$ 26,265,033</u>	<u>\$ 1,030,140</u>	<u>\$ 88,978,415</u>
	6.53%	4.88%	0.73%	5.48%
Total Salaries	<u>\$ 624,821,955</u>	<u>\$ 262,910,119</u>	<u>\$ 64,566,992</u>	<u>\$ 952,299,066</u>
	66.11%	48.84%	45.83%	58.63%
Employee Benefits				
Employer's Social Security	46,628,054	19,889,825	4,940,277	71,458,156
Employer's Retirement	130,303,305	53,580,588	13,545,261	197,429,154
Employer's Hospitalization Ins.	88,923,521	20,953,367	7,889,894	117,766,782
Employer's Workers' Comp. Ins.	-	-	219,467	219,467
Employer's Unemployment Ins.	-	306,000	-	306,000
Employer's Life Insurance	40	167,418	12,775	180,233
Total Employee Benefits	<u>\$ 265,854,920</u>	<u>\$ 94,897,198</u>	<u>\$ 26,607,674</u>	<u>\$ 387,359,792</u>
	28.13%	17.63%	18.89%	23.85%
Total Salaries/Employee Benefits	<u>\$ 890,676,875</u>	<u>\$ 357,807,317</u>	<u>\$ 91,174,666</u>	<u>\$ 1,339,658,858</u>
	94.25%	66.47%	64.71%	82.48%
Non-personnel Costs				
Contracted Services	17,180,046	27,712,593	24,152,287	69,044,926
Workshop Expenses	539,036	2,137,482	1,519,690	4,196,208
Advertising Cost	-	51,860	-	51,860
Printing and Binding Fees	48,007	67,494	267,093	382,594
Reproduction Costs	49,000	188,820	29,000	266,820
Other Prof & Tech Services	12,177,506	-	96,000	12,273,506
Public Utilities - Electric Services	-	9,995,274	9,407,546	19,402,820
Public Utilities - Natural Gas	-	2,940,759	-	2,940,759
Public Utilities - Water and Sewer	-	5,193,302	735,285	5,928,587
Waste Management	-	1,024,609	-	1,024,609
Contracted Repairs & Maintenance	24,500	8,773,069	68,057	8,865,626
Rentals/Leases	-	752,507	-	752,507
Pupil Transportation - Contracted	4,186,585	3,021,918	249,246	7,457,749

**2020-21 PROPOSED CURRENT EXPENSE BUDGET:
DETAIL EXPENDITURES BY FUNDING SOURCE**

Description	State	County	Federal/Special Revenue/Other	Grand Total
Travel Reimbursement	199,302	1,109,481	190,135	1,498,918
Field Trips	165,000	37,138	142,442	344,580
Telephone/Telecommunication	1,047,333	1,645,844	412,919	3,106,096
Postage	13,800	165,841	1,500	181,141
Employee Education Reimbursement	86,000	2,000	50,000	138,000
Membership Dues and Fees	180,000	587,000	304,062	1,071,062
Liability Insurance	-	3,940,602	211,814	4,152,416
Vehicle Liability Insurance	128,000	1,521	-	129,521
Property Insurance	-	1,485,443	107,128	1,592,571
Fidelity Bond Premium	-	18,096	-	18,096
Other Insurance and Judgments	-	66,500	7,000	73,500
Indirect Cost	-	-	3,143,344	3,143,344
Total Purchased Services	\$ 36,024,115	\$ 70,919,153	\$ 41,094,548	\$ 148,037,816
	3.81%	13.17%	29.17%	9.11%
Supplies and Materials	2,675,945	14,166,837	6,135,466	22,978,248
State Textbooks	5,373,049	1,122,246	-	6,495,295
Other Textbooks	786,130	2,700,592	-	3,486,722
Library Books	115,335	396,124	-	511,459
Computer Software and Supplies	3,892,750	4,183,372	450,070	8,526,192
Repair Parts, Grease, and Anti-Freeze	196,772	4,809,811	-	5,006,583
Gas/Diesel Fuel	2,046,008	7,118,741	-	9,164,749
Oil	101,484	39,303	-	140,787
Tires and Tubes	157,844	647,050	-	804,894
Food Purchases -PreK/Extend. Day	77,778	403,540	166,825	648,143
Furniture & Equipment - Inventoried	55,365	2,298,602	685,560	3,039,527
Computer Equipment - Inventoried	2,490,992	2,342,704	1,011,620	5,845,316
Total Supplies and Materials	\$ 17,969,452	\$ 40,228,922	\$ 8,449,541	\$ 66,647,915
	1.90%	7.47%	6.00%	4.10%
Equipment - Capitalized	350,000	84,114	61,240	495,354
Computer Hardware - Capitalized	-	109,497	111,451	220,948
License and Title Fees	40,540	-	-	40,540
Total Equipment and Vehicles	\$ 390,540	\$ 193,611	\$ 172,691	\$ 756,842
	0.04%	0.04%	0.12%	0.05%
Transfers to Charter Schools	-	69,186,243	-	69,186,243
Total Fund Transfers	\$ -	\$ 69,186,243	\$ -	\$ 69,186,243
	0.00%	12.85%	0.00%	4.26%
Grand Total	\$ 945,060,982	\$ 538,335,246	\$ 140,891,446	\$ 1,624,287,674
	100.00%	100.00%	100.00%	100.00%

**2020-2021 PROPOSED CURRENT EXPENSE BUDGET:
ALIGNMENT WITH THE DISTRICT'S PRIORITY INVESTMENT AREAS
BY FUNDING SOURCE DETAIL**

	2020-21 Proposed State Funds	2020-21 Proposed County Approp.	2020-21 Proposed Federal and Other	2020-21 Proposed Total Budget
FOCUS ON CORE: STUDENTS, TEACHERS AND CONTENT				
> Focusing on the instructional core	21.82%	8.41%	3.66%	33.89%
> Maximizing student time on instruction	10.65%	3.79%	0.68%	15.12%
> Increasing Access to Advanced/Rigorous Courses or Coursework	10.65%	0.63%	0.63%	9.31%
> Increasing access to great teachers	3.59%	1.73%	0.90%	6.21%
> Increasing social, emotional, and mental health supports	<u>3.59%</u>	<u>1.29%</u>	<u>0.92%</u>	<u>5.80%</u>
Subtotal	50.28%	15.85%	6.80%	70.32%
MANAGING OUR PERFORMANCE				
> Managing our performance	6.72%	3.85%	0.76%	11.33%
> Increasing Overall Employee Job Satisfaction	<u>5.54%</u>	<u>11.70%</u>	<u>1.11%</u>	<u>18.35%</u>
Subtotal	12.26%	15.55%	1.88%	29.68%
Grand Total	62.54%	31.40%	8.67%	100.00%

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Proposed County Appropriation

Proposed
County Appropriation



DETAIL OF CHANGES TO 2019-2020 COUNTY APPROPRIATION

2019-2020 ADOPTED BUDGET	\$ 509,451,701
REVISIONS	
1. Enterprise Resource Planning (ERP) Systems Modernization	(3,000,000)
2. Building Services Preventative Maintenance	(5,000,000)
Total Revisions for One-Time Funding	(8,000,000)
2019-2020 BASE BUDGET	\$ 501,451,701
I. SUSTAINING OPERATIONS	
A. Program Continuation	
1. House Bill 90 Enhancement Teachers' Local Supplement (K-3 Class size reduction)	\$ 720,224
2. Enterprise Resource Planning (ERP) Systems Modernization - Year 2	1,300,000
Total Sustaining Operations	\$ 2,020,224
II. INVESTING IN OUR EMPLOYEES	
A. Salaries and Benefits	
1. Salary Increases - average 2.1% for certified staff, average 2.1% for principals and AP's and 1% for non-certified staff	\$ 3,347,362
2. Phase II Market Rate Adjustments - all hourly staff increase to \$14.11 minimum + compression adjustments	2,865,144
3. Health Insurance - currently \$6,306; proposed \$6,647	1,087,384
4. Retirement Rate Increase - currently 19.70%; proposed at 21.44%	4,389,923
Total Investing In Our Employees	\$ 11,689,813
III. STUDENT GROWTH AND ADDITIONAL SPACE	
A. Student Enrollment Growth Costs	
1. Enrollment Growth - 315 new students	
Special Populations Growth - Exceptional Children staffing	870,082
Total CMS Enrollment Growth Costs	870,082
2. Charter School Enrollment Growth - 1,807 new students	\$ 8,999,279
Total Student Enrollment Growth Costs	\$ 9,869,361
B. New Schools - Staffing and Operating Costs	
1. Additional Staffing	379,955
2. SRO contract - Addition of grade 7 at K-8 school	60,000
3. Maintenance and Operating Costs for All Additional Space (1 new, 2 replacement schools)	1,642,729
Total Additional Facility Space Costs	\$ 2,082,684
Total Student Growth and Additional Space Costs	\$ 11,952,045
IV. PROGRAM EXPANSION AND NEW INITIATIVES	
A. Student Support Staffing/Social and Emotional Learning Support	\$ 3,393,859
B. Exceptional Children Staffing and Special Education Support	1,891,288
C. Safety and Security	796,443
D. Building Services Preventive Maintenance and Staffing	5,139,873
Total Program Expansion and New Initiatives	\$ 11,221,463
2019-2020 PROPOSED COUNTY APPROPRIATION	\$ 538,335,246
CHANGE FROM PRIOR YEAR APPROPRIATION	\$ 28,883,545
INCREASE IN TOTAL COUNTY APPROPRIATION OVER PRIOR YEAR*	\$ 36,883,545

*Increase over PY after one-time funding adjustment

**2020-21 PROPOSED CURRENT EXPENSE BUDGET:
PROPOSED COUNTY APPROPRIATION**

	Salaries and Benefits	Purchased Services	Supplies and Materials
EXPENDITURES			
Regular Instructional	\$ 154,550,535	\$ 10,187,341	\$ 16,432,946
Special Populations	22,896,328	4,270,817	1,334,334
Alternative Programs	17,921,651	437,804	645,602
School Leadership Services	26,427,460	-	498,717
Co-Curricular	3,128,476	2,057,489	206,790
School-Based Support	24,488,344	358,931	589,767
Support and Development	9,219,804	965,407	1,466,368
Special Population Support and Development	1,516,576	208,627	31,177
Alternative Programs Support and Development	1,684,254	25,981	30,663
Technology Support	9,424,898	2,544,475	3,331,657
Operational Support	52,639,218	39,898,028	14,333,853
Financial and Human Resource Services	14,004,426	7,471,283	686,594
Accountability	4,545,751	392,464	131,442
System-wide Pupil Support	3,585,173	44,293	237,282
Policy, Leadership and Public Relations	11,728,780	2,056,213	271,730
Nutrition Services	45,643	-	-
Charter School Pass-through	-	-	-
TOTAL EXPENDITURES	<u>\$ 357,807,317</u>	<u>\$ 70,919,153</u>	<u>\$ 40,228,922</u>
PERCENTAGE OF TOTAL	66.47%	13.17%	7.47%

Note: The description for each category is on the following pages 48-55

**2020-21 PROPOSED CURRENT EXPENSE BUDGET:
PROPOSED COUNTY APPROPRIATION**

Furniture and Equipment	Charter School Pass-through	Total	% of Total Budget
128,739	-	\$ 181,299,561	33.68%
-	-	28,501,479	5.29%
-	-	19,005,057	3.53%
-	-	26,926,177	5.00%
-	-	5,392,755	1.00%
-	-	25,437,042	4.73%
-	-	11,651,579	2.16%
-	-	1,756,380	0.33%
-	-	1,740,898	0.32%
-	-	15,301,030	2.84%
64,872	-	106,935,971	19.86%
-	-	22,162,303	4.12%
-	-	5,069,657	0.94%
-	-	3,866,748	0.72%
-	-	14,056,723	2.61%
-	-	45,643	0.01%
-	69,186,243	69,186,243	12.85%
<u>\$ 193,611</u>	<u>\$ 69,186,243</u>	<u>\$ 538,335,246</u>	<u>100.00%</u>
0.04%	12.85%	100.00%	

PROPOSED 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 \$181,299,561

Costs of activities that provide students in grades K-12 with learning experiences to prepare them for activities as workers, citizens, 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 \$28,501,479

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.

PROPOSED 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

\$19,005,057

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.

PROPOSED COUNTY APPROPRIATION BY MAJOR FUNCTION

5400 School Leadership Services

\$26,926,177

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

\$5,392,755

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

\$25,437,042

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.

PROPOSED 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

\$11,651,579

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, citizens, 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

\$1,756,380

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.

PROPOSED COUNTY APPROPRIATION BY MAJOR FUNCTION

6300 Alternative Programs and Services Support and Development Services \$ 1,740,898

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 \$15,301,030

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 \$106,935,971

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. (Do 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.

PROPOSED 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

\$22,162,303

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

\$5,069,657

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

\$3,866,748

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.

PROPOSED 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

\$14,056,723

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.

Ancillary Services

Activities that are not directly related to the provision of education for pupils in a local school administrative unit. These include community services and nutrition services provided by the school system.

7200 Nutrition Services

\$45,643

Costs of activities concerned with providing food service to students and staff in a school or LEA including the preparation and serving of regular and incidental meals, or snacks in connection with school activities.

PROPOSED COUNTY APPROPRIATION BY MAJOR FUNCTION

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

\$69,186,243

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.

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

	2020-21 Proposed Budget	2019-20 Adopted Budget	2017-18 Adopted Budget	2016-17 Adopted Budget
REVENUES				
County	32,860,000	27,560,000	22,960,000	22,960,000
TOTAL CAPITAL OUTLAY REVENUES	\$ 32,860,000	\$ 27,560,000	\$ 22,960,000	\$ 22,960,000
EXPENDITURES				
<u>Buildings and Sites</u>				
Roofs	\$ 4,845,293	\$ 4,845,293	\$ 5,451,889	\$ 6,607,518
Heating and Air Conditioning	5,485,939	5,485,939	3,899,014	3,076,748
Asphalt Resurfacing & Paving	3,313,384	3,313,384	3,294,577	4,990,050
Plumbing	1,070,000	1,070,000	-	-
Carpeting	-	-	391,372	150,000
Stage Curtains	-	-	25,000	25,000
Sites	4,125,000	4,125,000	4,560,970	4,880,300
Renovations	907,000	907,000	3,341,539	2,345,000
Electrical	2,263,000	2,263,000	1,085,255	135,000
Total Buildings and Sites	<u>\$ 22,009,616</u>	<u>\$ 22,009,616</u>	<u>\$ 22,049,616</u>	<u>\$ 22,209,616</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	200,000	200,000	160,000	-
Insurance Claims	100,000	100,000	100,000	100,000
Total Furniture and Equipment	<u>\$ 950,384</u>	<u>\$ 950,384</u>	<u>\$ 910,384</u>	<u>\$ 750,384</u>
<u>Additional Capital Projects</u>				
School security enhancement		\$ 4,600,000		
Bus garages and washing stations	9,900,000	-	-	-
Total Additional Capital Projects	<u>\$ 9,900,000</u>	<u>\$ 4,600,000</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL CAPITAL OUTLAY EXPENDITURES	\$ 32,860,000	\$ 27,560,000	\$ 22,960,000	\$ 22,960,000

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, 2019 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 buses through a special third party financing arrangement at total payments less than the purchase price.

The future minimum payment of the installment purchases as of June 30, 2019, are as follows (expressed in thousands):

<u>Year Ending June 30</u>	<u>Government Activities</u>
2020	\$ 3,447
2021	2,038
2022	<u>477</u>
Total Payments	<u>\$ 5,962</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 2020-21 Proposed Budget	FY 2019-20 Adopted Budget	FY 2018-19 Actuals	FY 2017-18 Actuals
OPERATING REVENUES:				
Student Meals	6,996,371	6,496,371	5,548,869	\$ 5,065,275
Supplemental Sales	6,528,938	6,259,538	6,001,549	6,243,471
Total Operating Revenues	13,525,309	12,755,909	11,550,418	11,308,746
OPERATING EXPENSES:				
Food and Commodities	28,650,000	27,775,000	28,632,226	27,944,304
Salaries	28,495,332	27,414,600	22,922,211	22,773,053
Employee Benefits	6,243,749	6,103,253	5,489,273	7,128,492
Materials and Supplies	2,103,928	2,000,000	2,210,654	1,943,894
Depreciation	2,000,000	1,500,000	1,505,694	1,687,126
Contracted Services	4,550,000	4,150,000	6,559,142	4,035,486
Other	4,750,000	4,560,024	4,368,333	4,300,182
Total Operating Expenses	76,793,009	73,502,877	71,687,533	69,812,537
OPERATING INCOME (LOSS)	(63,267,700)	(60,746,968)	(60,137,115)	(58,503,791)
U.S. Government Subsidy and Commodities	61,917,700	59,396,968	58,530,865	58,691,135
Interest Revenue and Other Misc. Revenue	1,000,000	1,000,000	734,025	487,714
Total Non-Operating Revenue	62,917,700	60,396,968	59,264,890	59,178,849
INCOME (LOSS) BEFORE OPERATING TRANSFER	(350,000)	(350,000)	(872,225)	675,058
OPERATING TRANSFER FROM GENERAL FUND	350,000	350,000	300,000	234,237
Change in Net Position	-	-	(572,225)	909,295

SCHOOL NUTRITION SERVICES
COMPARISON OF MEAL PRICES

	BREAKFAST			LUNCH		
	Elementary	Secondary	Adult	Elementary	Secondary	Adult
2020-21 Proposed	No Charge	No Charge	A La Carte	\$ 2.75	\$ 3.00	A La Carte
2019-20 Adopted	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
2009-10	\$ 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 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 Common Core and Essential Standards. 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.

The After School Enrichment Program is currently offered at 90 K-8, 8 middle schools only, and five Pre-K centers throughout the district. ASEP operates 56 Before School programs and serve 1,682 students per week in Before School and 4,877 students in the After School Programs. ASEP operates on an Enterprise Budget.

The 2020-21 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

	2020-21 Proposed Budget	2019-20 Adopted Budget	2018-19 Actuals	2017-18 Actuals
OPERATING REVENUES:				
Participant Fees	\$ 16,092,639	\$ 15,762,857	\$ 13,157,784	\$ 13,854,387
OPERATING EXPENSES:				
Salaries	10,475,485	10,248,153	8,657,827	9,002,598
Benefits	2,875,522	2,809,391	1,897,116	2,561,813
Food Costs	425,000	435,780	404,017	418,369
Material and Supplies	483,188	429,968	298,200	1,043,825
Contracted Services	375,000	514,102	296,525	397,878
Other	1,573,445	1,411,443	1,469,840	1,568,216
Total Operating Expenses	<u>16,207,639</u>	<u>15,848,837</u>	<u>13,023,525</u>	<u>14,992,699</u>
OPERATING INCOME (LOSS)	(115,000)	(85,980)	134,259	(1,138,312)
NON-OPERATING REVENUES:				
Interest Income	115,000	85,980	115,011	86,788
Contributions and Grants	-	-	250	-
Total Non-Operating Revenue	<u>115,000</u>	<u>85,980</u>	<u>115,261</u>	<u>86,788</u>
Change in Net Position	-	-	249,520	(1,051,524)

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Results and Accountability

ACADEMIC ACHIEVEMENT

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).

In 2018-19, 44.0% of CMS students in grades 3-8 were college and career ready in reading on the EOG assessment. Reading college and career readiness rates in CMS are 1.2 percentage points lower than the state. In math, 47.4% of CMS students in grades 3-8 were college and career ready, 6.5 percentage points higher than the state. In science, 66.0% of CMS students in grades 5 and 8 were college and career ready in 2018-19, a readiness rate slightly higher than the state (0.1 percentage point).

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

Test	CMS 2018-19 Percent CCR	NC 2018-19 Percent CCR	Difference between CMS and NC
Reading 3	46.1%	45.2%	+0.9 points
Reading 4	41.1%	43.9%	-2.8 points
Reading 5	39.0%	41.4%	-2.4 points
Reading 6	47.6%	49.1%	-1.5 points
Reading 7	46.6%	48.1%	-1.5 points
Reading 8	43.9%	43.5%	+0.4 points
Reading 3-8	44.0%	45.2%	-1.2 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>

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

Test	CMS 2018-19 Percent CCR	NC 2018-19 Percent CCR	Difference between CMS and NC
Math 3	51.3%	44.1%	+7.2 points
Math 4	45.9%	39.5%	+6.4 points
Math 5	48.6%	41.9%	+6.7 points
Math 6	46.7%	41.4%	+5.3 points
Math 7	49.6%	44.1%	+5.5 points
Math 8	42.0%	34.3%	+7.7 points
Math 3-8	47.4%	40.9%	+6.5 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 I EOG 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

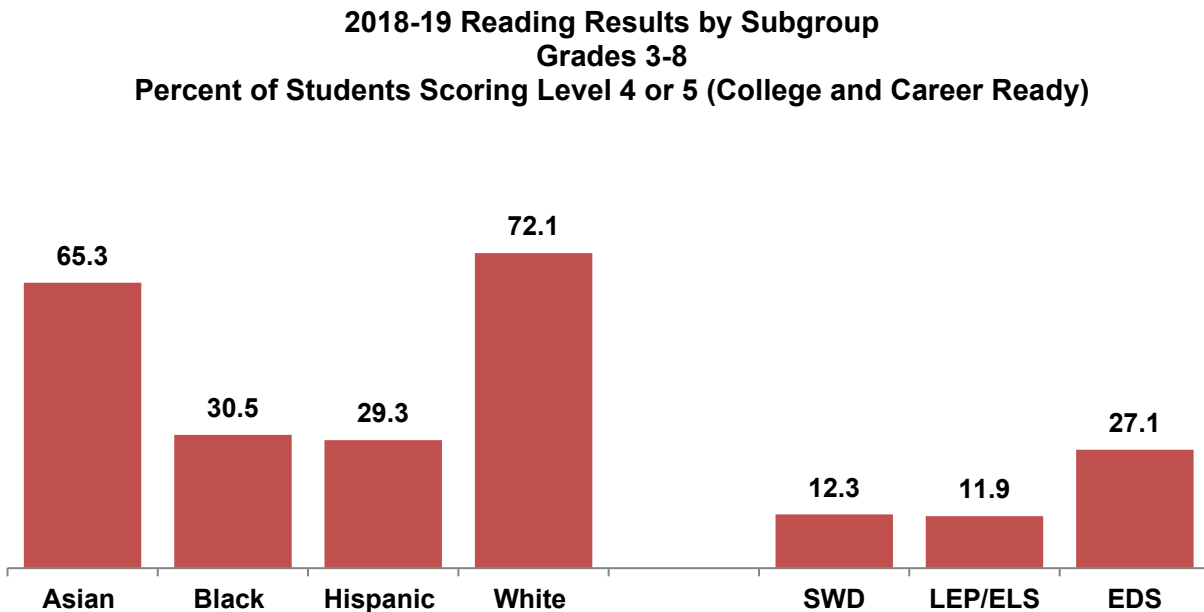
2018-19 Science
Percent of Students Scoring Level 4 or 5 (College and Career Ready)

Test	CMS 2018-19 Percent CCR	NC 2018-19 Percent CCR	Difference between CMS and NC
Science 5	64.3%	61.9%	+2.4 points
Science 8	67.9%	70.2%	-2.3 points
Science 5 & 8	66.0%	65.9%	+0.1 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

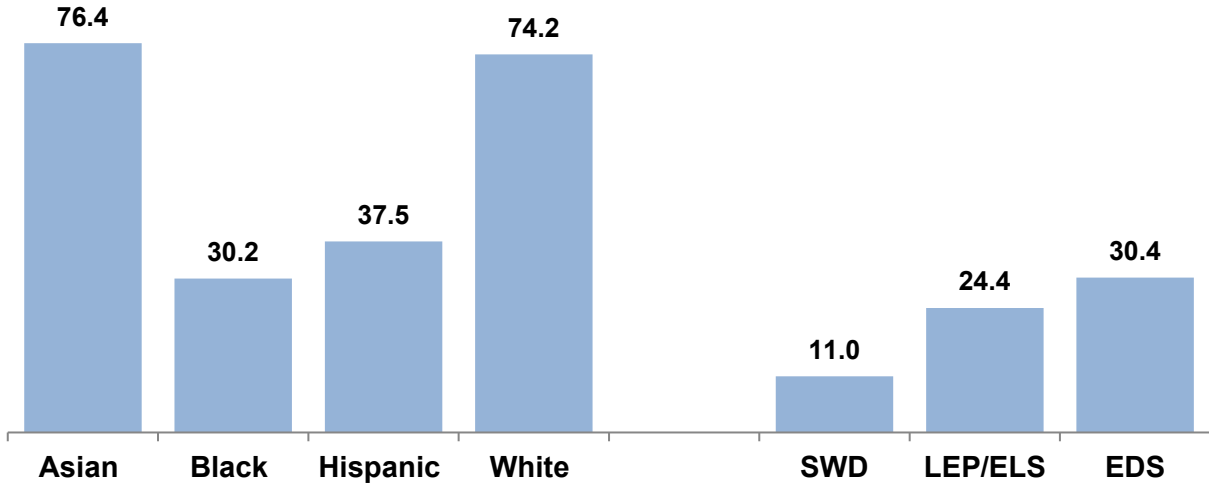
Differences in college and career readiness rates occur by subgroup in Reading, Mathematics, and Science EOG assessments. For example, in 2018-19, 65.3% of Asian students and 72.1% of white students were college and career ready in reading, double the rates of black students and Hispanic students (30.5% and 29.3%, 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 in Reading and Math. In Science, EDS college and career readiness rates are close to the district average. SWD and ELS students also have higher rates of college and career readiness in science than reading and math.



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

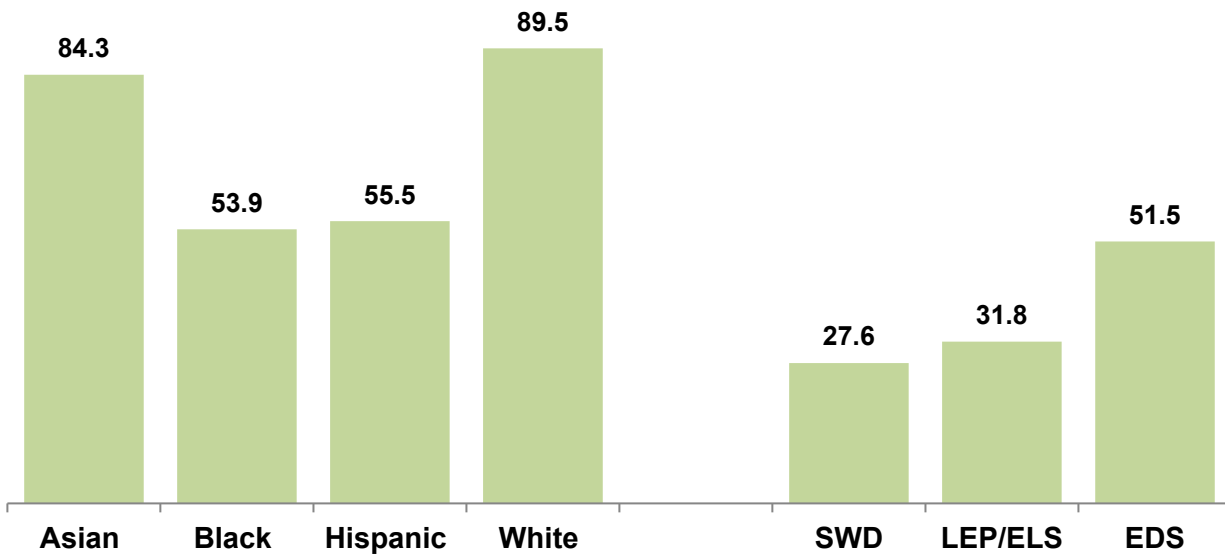
2018-19 Mathematics Results by Subgroup
Grades 3-8*
Percent of Students Scoring Level 4 or 5 (College and Career Ready)



*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>

2018-19 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 2018-19, 52.5% of CMS students were college and career ready on the state’s annual EOC English II assessment. English II college and career readiness rates in CMS were 2.2 percentage points higher than the state. On the Math 1 assessment (9-12th grade only), 16.4% of CMS students were college and career ready, 1.6 percentage points higher than the state. Math 3 (9-12th grade only) had slightly higher college and career readiness rates at 29.8%. Again, this was higher than the state by 3.6 percentage points. In Biology, 53.5% of CMS students were college and career ready in 2018-19, a readiness rate 2.5 percentage points higher than the state.

**2018-19 End of Course Exams
Percent of Students Scoring Level 4 or 5 (College and Career Ready)**

Test	CMS 2018-19 Percent C & C Ready	NC 2018-19 Percent C & C Ready	Difference between CMS and NC
English II	52.5%	50.3%	+2.2 points
Math 1 9-12*	16.4%	14.8%	+1.6 points
Math 3 9-12**	29.8%	26.2%	+3.6 points
Biology	53.5%	51.7%	+1.8 points
Grade 9-12 Composite	40.0%	37.5%	+2.5 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.

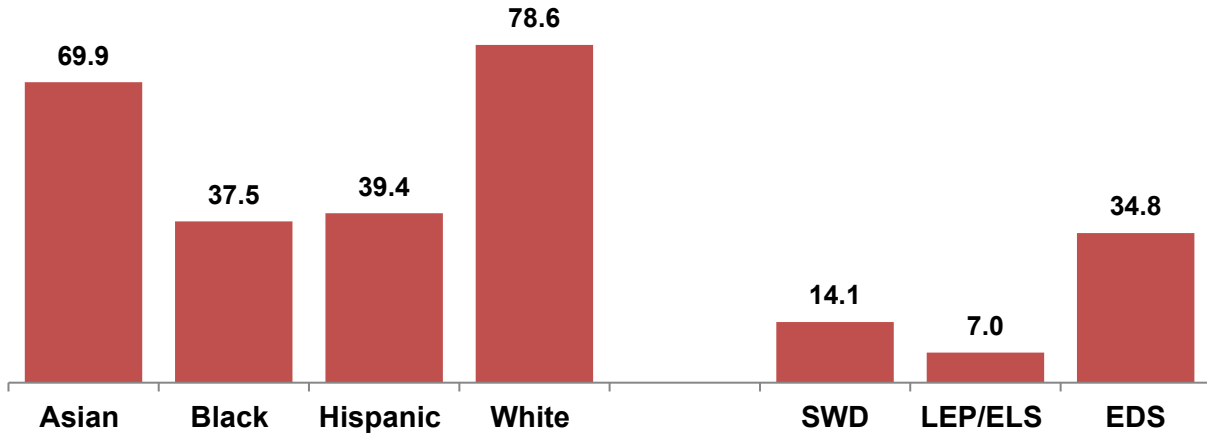
Source: North Carolina Department of Public Instruction <https://www.dpi.nc.gov/districts-schools/testing-and-school-accountability/school-accountability-and-reporting/accountability-data-sets-and-reports>

End-of-Course Exam Subgroup Performance

Differences in college and career readiness rates exist by subgroup in English II, Math 1, Math 3 and Biology EOC assessments. For example, in 2018-19, 59.4% of Asian students and 53.5% of white students scores within the college and career readiness range on the Math 3 exam, at nearly three times the rate of black and Hispanic students (19.2 and 12.8%, 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.

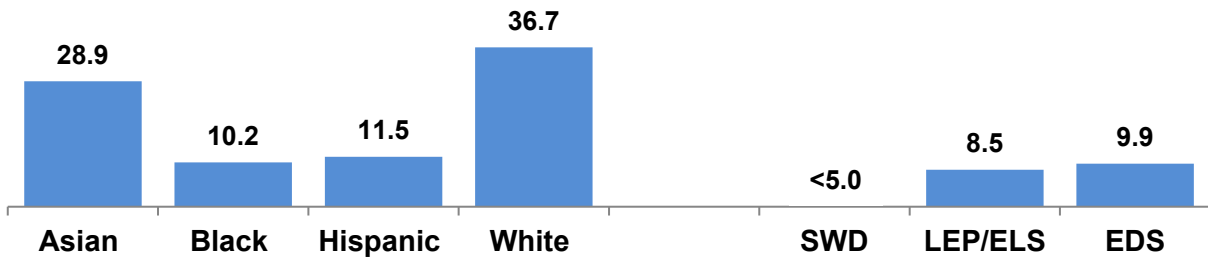
ACADEMIC ACHIEVEMENT

2018-19 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>

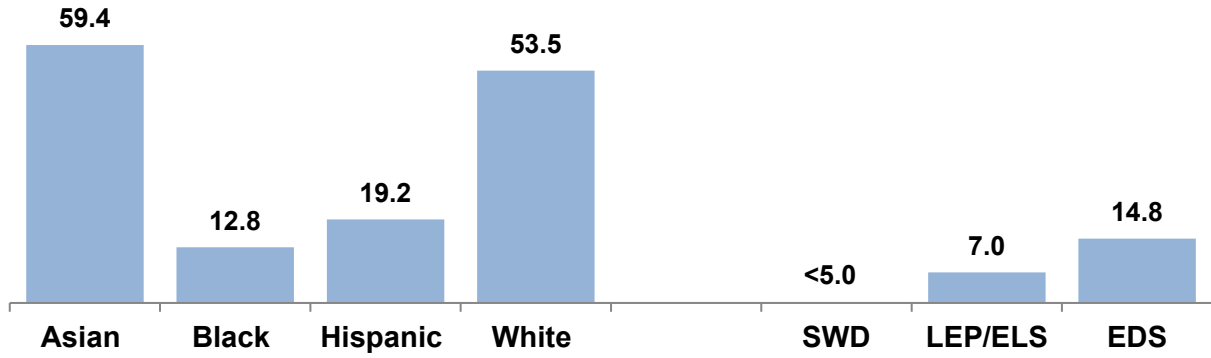
2018-19 Math 1 9-12 Results by Subgroup*
Percent of Students Scoring Level 4 or 5 (College and Career Ready)



*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

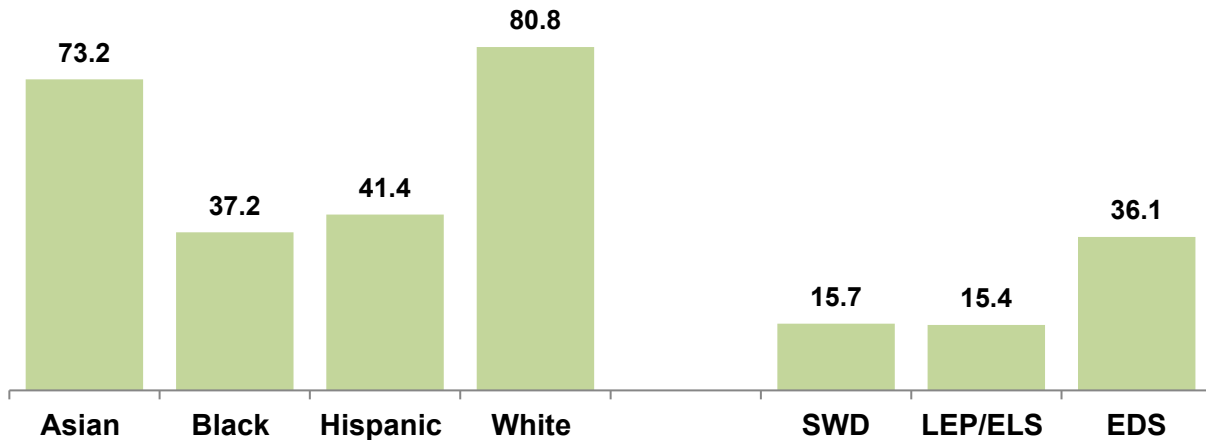
2018-19 Math 3 9-12 Results by Subgroup*
Percent of Students Scoring Level 4 or 5 (College and Career Ready)



*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>

2018-19 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>

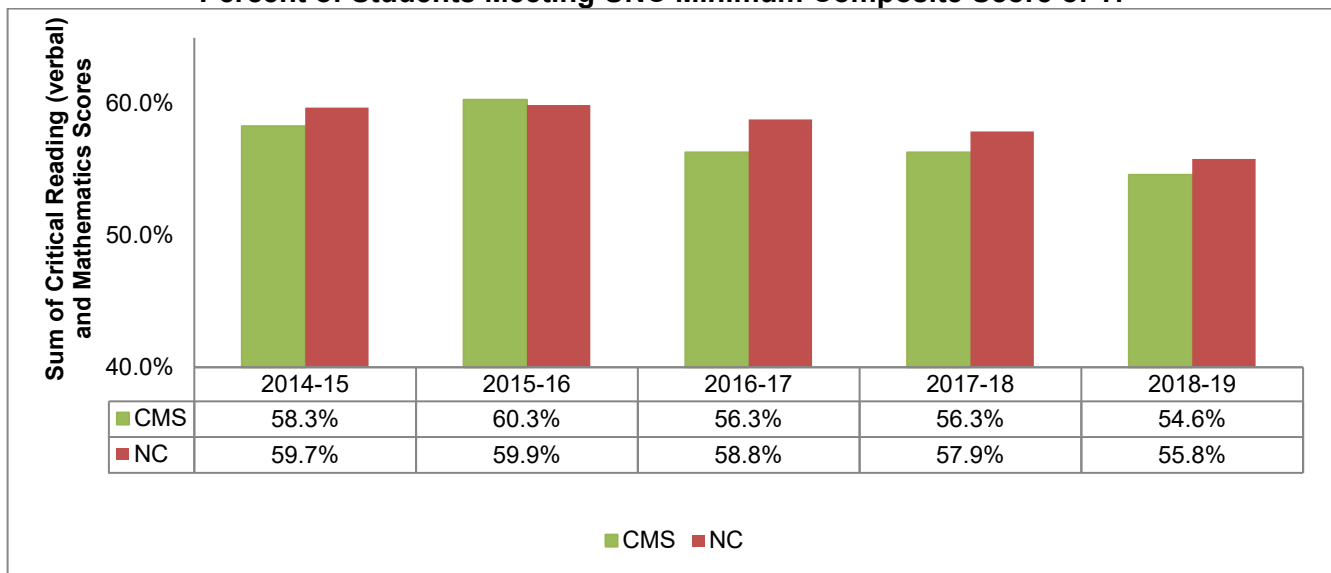
ACT Results

ACADEMIC ACHIEVEMENT

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 2018-19, 54.6% of CMS students had a composite score on the ACT that met the UNC minimum, 1.2 percentage points lower than the state. From 2014-15 to 2018-19, the percent of CMS students meeting the UNC minimum has decreased by 3.7 percentage points.

2015 – 2019 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>

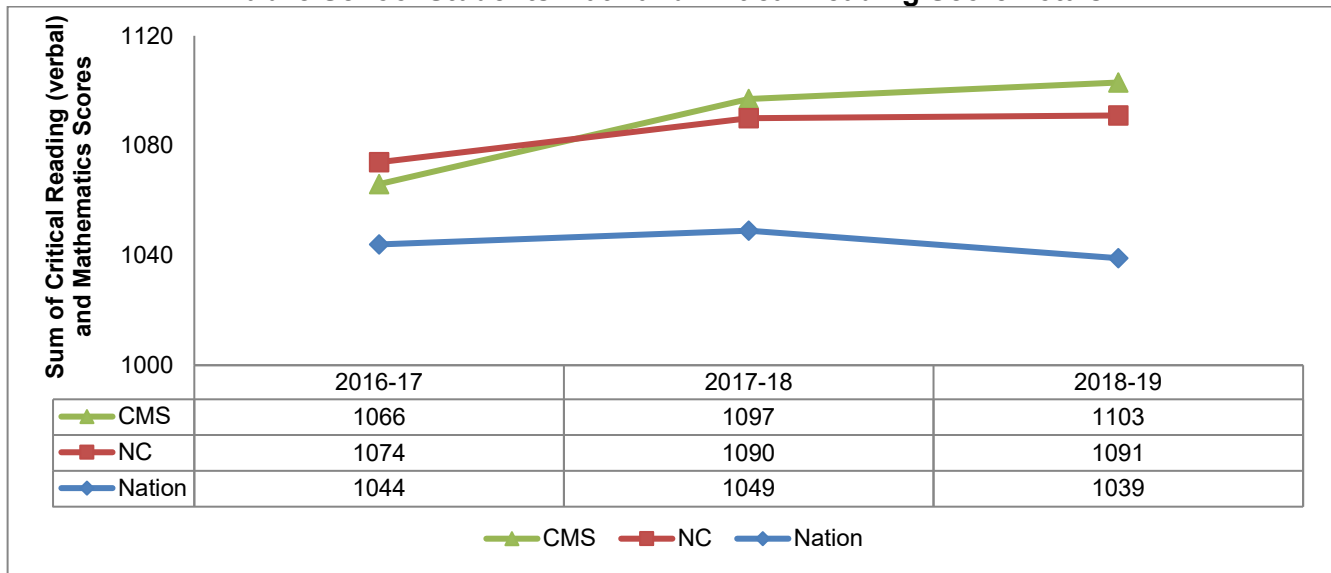
SAT® Results

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.

In 2018-19, the average SAT® score for CMS students (1103) was twelve points above the average score for NC (1091) and sixty-four points above the national average (1039). From 2016-17 to 2018-19, scores among CMS students increased by thirty-seven points or 3.5%.

ACADEMIC ACHIEVEMENT

**2017 – 2019 SAT® Results
Public School Students Math and Critical Reading Score Totals***



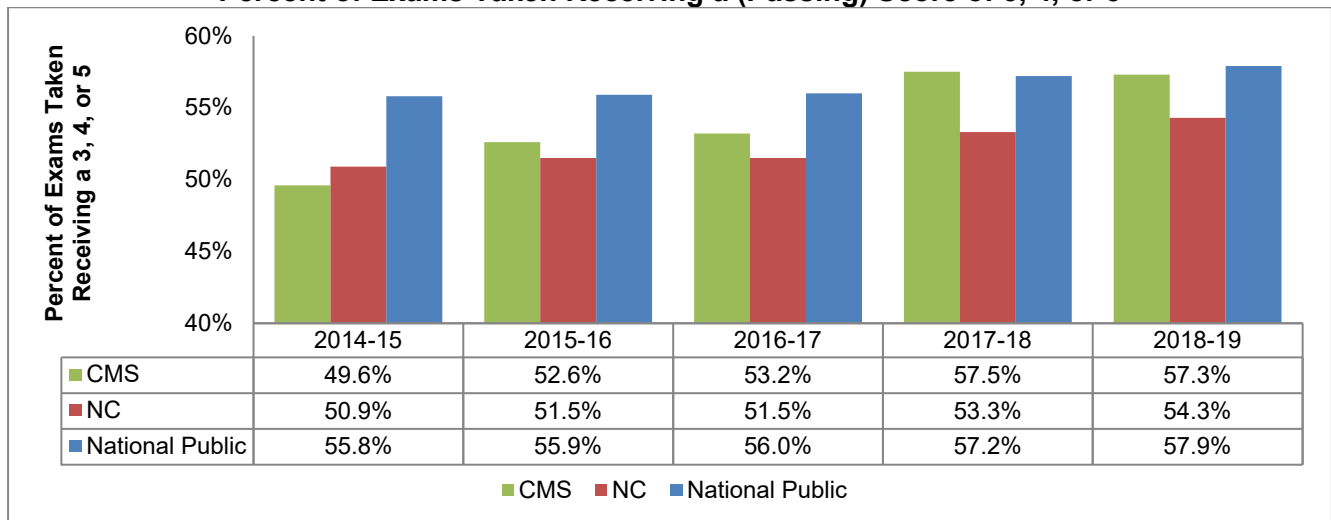
*In 2017, the SAT® underwent a major change. The number of questions and the scores in the 25th, 50th, and 75th percentiles nationally changed substantially and it is not recommended to compare old scores to the new scores.

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 2019, 57.3% of AP® exams taken by CMS students received a 3, 4, or 5, which is 3 percentage points higher than the state of North Carolina and 0.6 points lower than national public schools. From 2014-15 to 2018-19, the percent of CMS exams receiving an AP® passing score has increased 7.7 percentage points.

**2015 – 2019 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

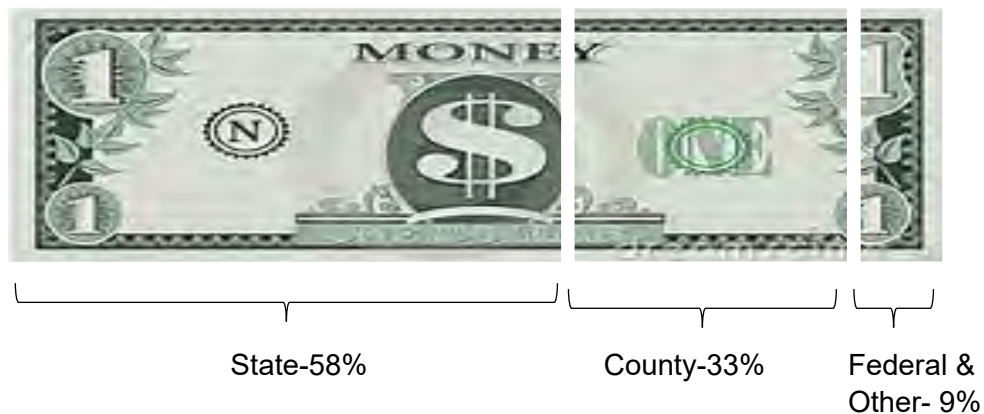
Charlotte Mecklenburg Schools (CMS) is the second-largest school district in North Carolina and the 17th-largest in the U.S. It is also one of the largest employers in Mecklenburg County, with more than 17,000 full-and part-time employees. Like most school districts in the state, CMS does not have taxing 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 2020-21 school year, the operating budget is funded as follows:



Salaries and benefits account for 83 percent of the total operating budget. Of that amount, 88 percent of the total staff is based in schools. Of the school-based employees, 72 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	2019 (1)			2010 (2)		
	Employees	Rank	% of Total County Employment	Employees	Rank	% of Total County Employment
Atrium HealthCare	35,700	1	5.84%	26,283	1	6.01%
Wells Fargo Bank	24,000	2	3.93%	20,000	2	4.57%
CMS	18,495	3	3.02%	19,485	3	4.46%
Bank of America Corp.	15,000	4	2.45%	13,960	4	3.19%
Novant Health	11,698	5	1.91%	9,000	6	2.06%
American Airlines	11,000	6	1.80%	5,955	10	1.36%
Harris Teeter	8,239	7	1.35%	-	-	-
Duke Energy	7,900	8	1.29%	7,757	8	1.77%
State of North Carolina	7,600	9	1.24%	7,479	9	1.71%
City of Charlotte	6,800	10	1.11%	-	-	-

NOTES: (1) Mecklenburg County, North Carolina Comprehensive Financial Annual Report for the year ended June 30, 2019 and the Charlotte Chamber of Commerce
(2) Data per Charlotte Chamber of Commerce publication, Charlotte's Largest Employers, dated 2010.

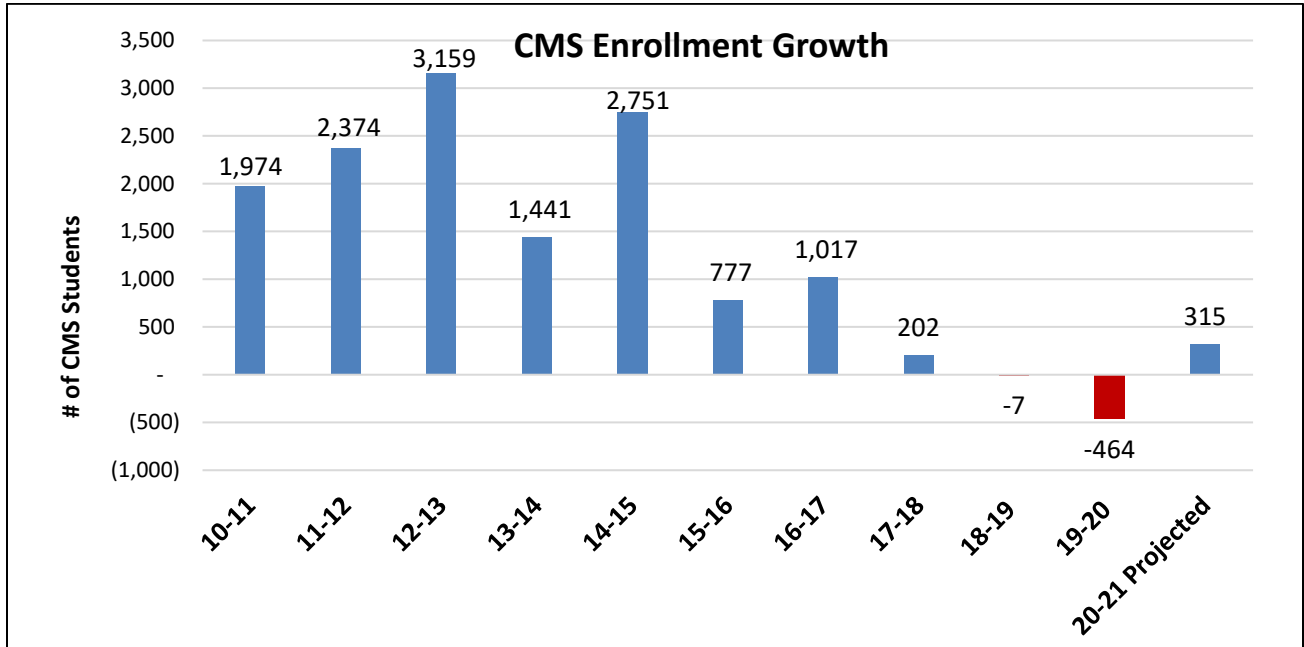
MECKLENBURG COUNTY, NORTH CAROLINA DEMOGRAPHIC STATISTICS LAST TEN YEARS						
Year	Population	Total Personal Income	Per Capita Income	Median Age	School Enrollment*	Unempl Rate
2019	1,115,571	N/A	N/A	N/A	147,352	4.1%
2018	1,093,901	N/A	N/A	N/A	147,359	4.0%
2017	1,076,837	\$ 61,775,890	\$ 57,368	34.9	147,157	4.3%
2016	1,057,237	58,469,183	55,304	34.7	146,140	4.9%
2015	1,034,442	55,925,668	54,064	34.5	145,363	5.7%
2014	1,011,315	51,980,697	51,399	34.3	142,612	6.8%
2013	991,619	48,823,565	49,236	34.2	141,171	8.1%
2012	968,204	54,501,955	56,292	34.0	138,012	9.2%
2011	944,943	45,401,491	48,047	33.9	135,638	10.6%
2010	923,202	42,655,221	46,204	33.8	133,664	10.7%

NOTES: N/A = Data not available
Data provided by the Mecklenburg County, North Carolina Comprehensive Annual Financial Report for the Year Ended June 30, 2019 (most current). Prior Years restated to reflect change in source (US Bureau of Economic Analysis).

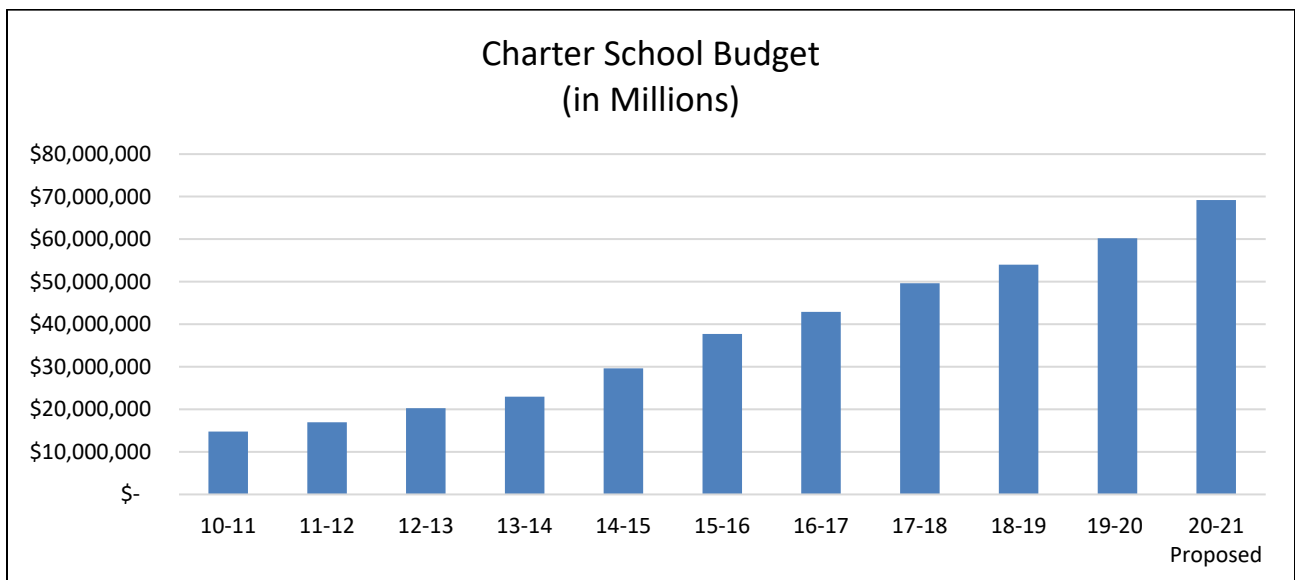
*Enrollment is as of ninth month

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
FACTORS AFFECTING THE BUDGET

Enrollment - More students require more resources, including teachers and school-based staff. 20th day student enrollment for 2019-20 was 146,888, down 464 or 31 percent over last school year. Overall student enrollment has grown by 11,565 or 8.52 percent since the 2010-11 school year. It is estimated that enrollment will increase by 315 students in 2020-21.

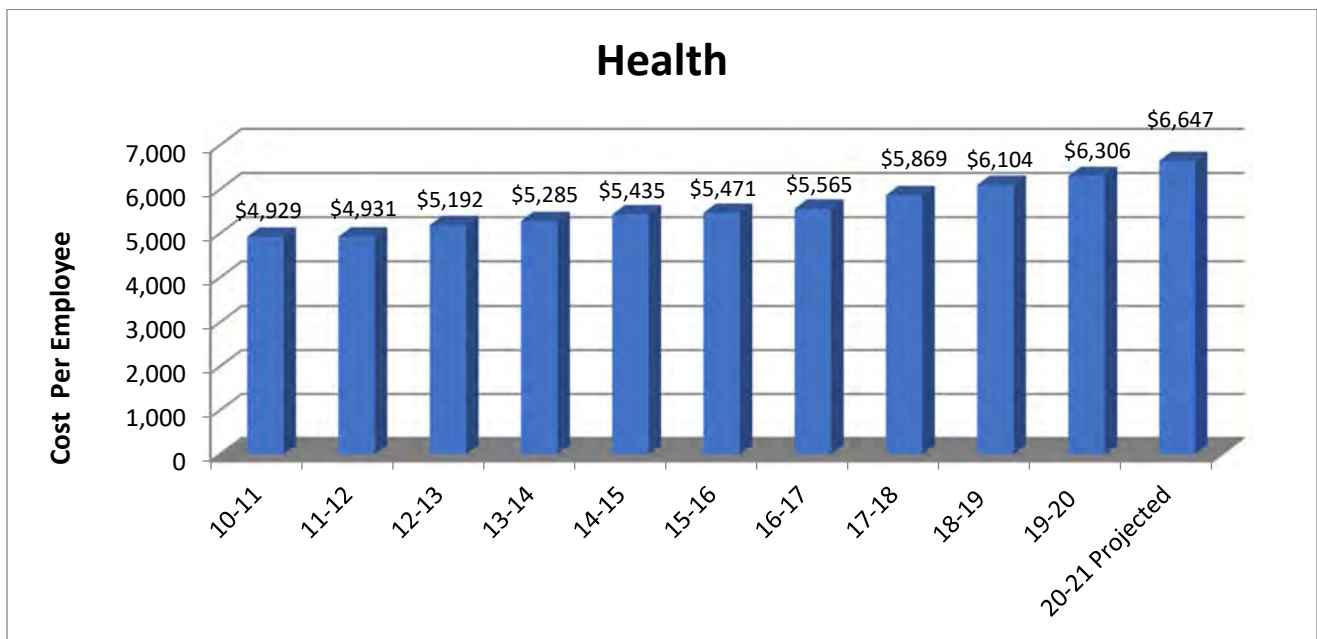
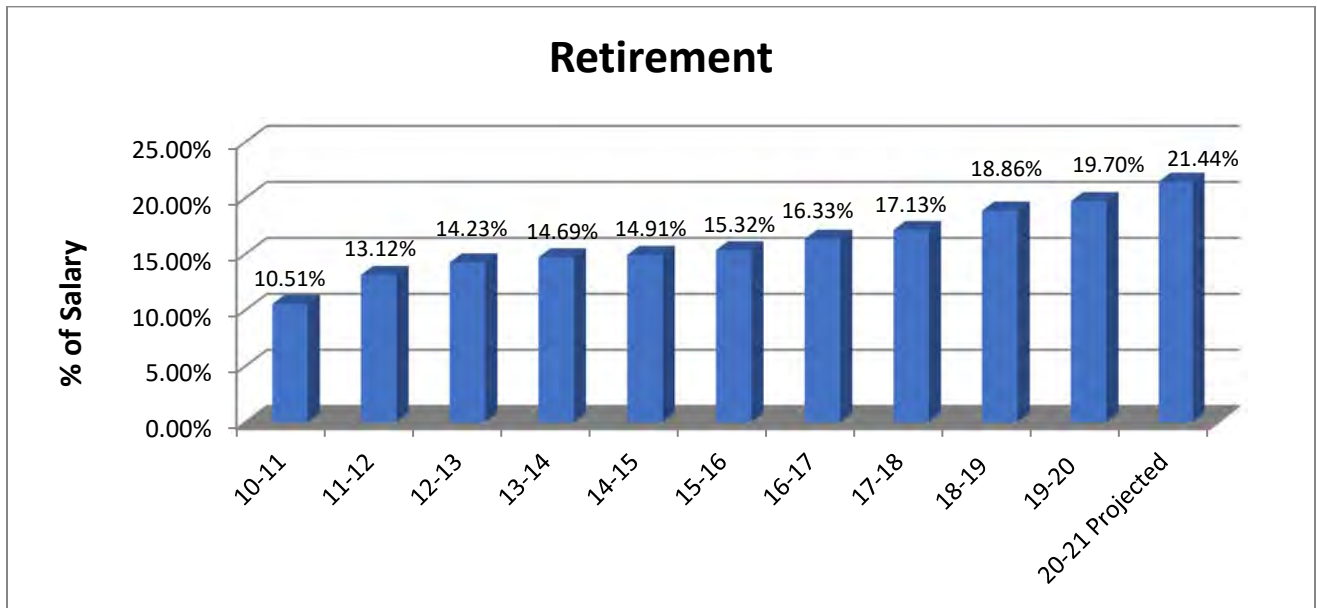


Charter schools - CMS is statutorily obligated to provide funding for all Mecklenburg County students in charter schools. Funding for charter schools is included in the CMS budget but is not retained by CMS. The chart below shows the adopted budget for charter school payments each year. It is estimated that charter payments will increase in 2020-21 to \$69.2 million.



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 2019-20, the retirement rate has increased 9.19 percentage points (87%) and the annual health insurance contribution by \$1,377 per eligible employee (28%) since 2010-11. The estimated increase for 2020-21 in the retirement rate is 1.74% and the health insurance contribution is estimated to increase by 5.4%.



Note: These increases are determined by the state and have a significant impact on overall budget increase since 83% 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.

SCHOOL BUDGET AND FISCAL CONTROL

(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

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
SCHOOL BUDGET AND FISCAL CONTROL

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

SCHOOL BUDGET AND FISCAL CONTROL

- 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.

SCHOOL BUDGET AND FISCAL CONTROL

(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 (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.

SCHOOL BUDGET AND FISCAL CONTROL

- (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

SCHOOL BUDGET AND FISCAL CONTROL

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.

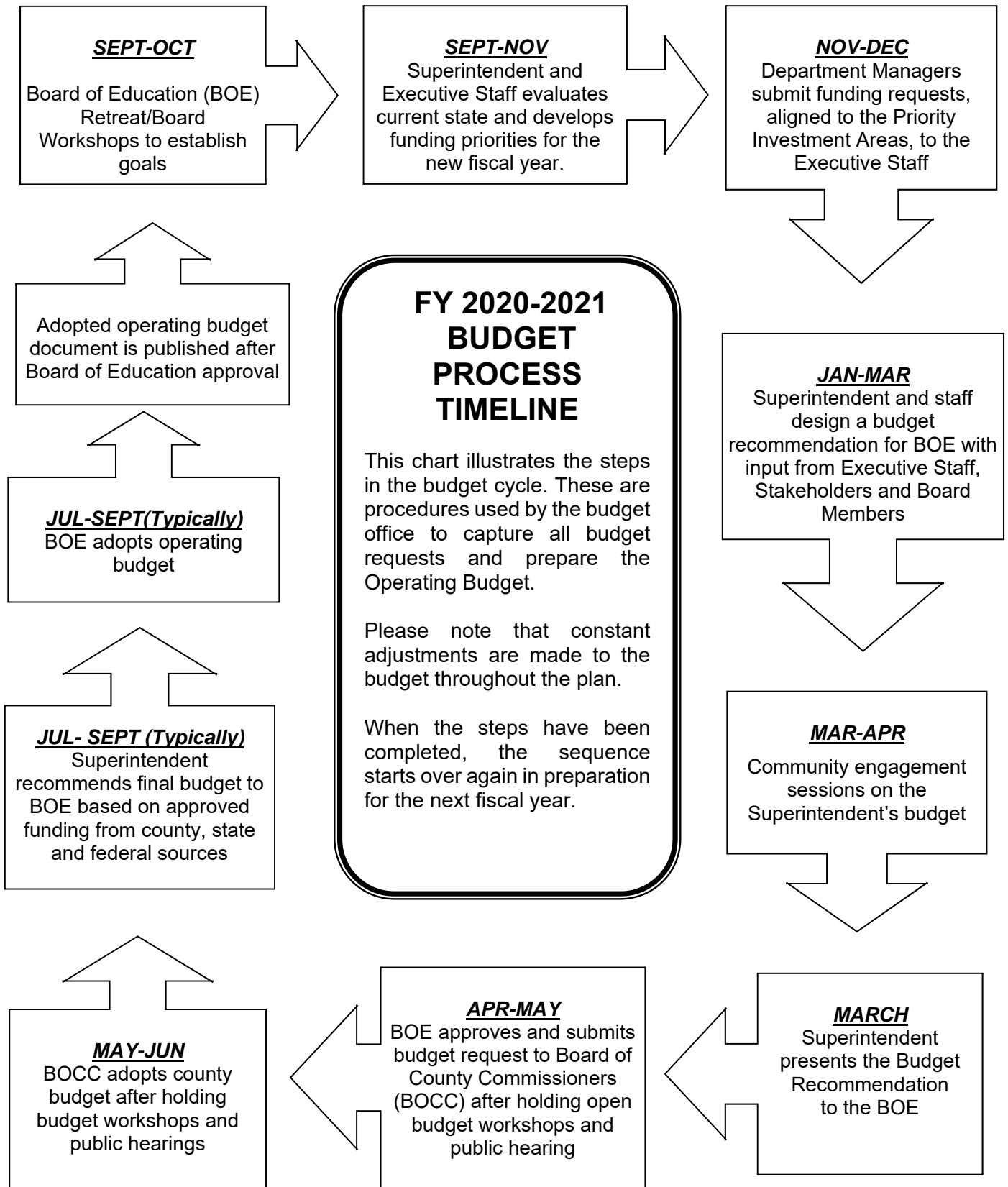
(d) The board of education may amend the budget to transfer money to or from the capital outlay fund to or from any other fund, with the approval of the board of county commissioners, to meet emergencies unforeseen and unforeseeable at the time the budget resolution was adopted. When such an emergency 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 (FY2011-2021)

SELECTED TRENDS

FISCAL YEAR	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
ENROLLMENT											
Total K-12 Enrollment - 20th Day	135,638	138,012	141,171	142,612	145,363	146,140	147,157	147,359	147,352	146,888	147,203*
EL Students	16,220	15,505	14,830	15,176	17,146	16,938	17,210	19,794	21,145	24,064	
Economically Disadvantaged Students	53.4%	54.4%	54.3%	57.3%	58.5%***	56.5%***	60.2%***	51.7%***	47.6%***	48.6%***	
COST PER PUPIL											
Budgeted Total Cost	\$8,480	\$8,473	\$8,518	\$8,714	\$9,025	\$9,215	\$9,363	\$9,568	\$10,122	\$10,723	\$11,035
Budgeted Local Cost	\$2,228	\$2,379	\$2,390	\$2,500	\$2,671	\$2,766	\$2,810	\$2,910	\$3,121	\$3,468	\$3,657
Budgeted Local Cost w/o Charter Sch Passthrough	\$2,119	\$2,256	\$2,247	\$2,339	\$2,467	\$2,508	\$2,518	\$2,573	\$2,755	\$3,059	\$3,187
NUMBER OF SCHOOLS											
Elementary	108	88	88	89	91	95	95	94	95	95	95
Middle	33	39	39	39	39	39	39	44	46	46	47
High	33	28	28	28	31	31	33	35	31 [^]	31	31
Alternative	4	4	4	4	3	3	3	3	3	3	3
Total Schools Operating	178	159	159	160	164	168	170	176	175	175	176
New Schools Opened	2	0	0	1	4	4	2	6	3	0	1
% OF TOTAL OPERATING BUDGET											
% County	26.28%	28.08%	28.06%	28.69%	29.59%	30.02%	30.01%	30.41%	30.83%	33.00%	33.14%
% State	55.19%	56.64%	57.95%	57.58%	57.13%	57.84%	58.53%	59.42%	59.27%	58.00%	58.18%
% Federal & Other Grants	16.16%	13.72%	12.00%	12.20%	11.71%	10.55%	10.00%	8.83%	8.67%	8.1%	7.79%
% Other /Special Revenue	1.03%	.01%	0.95%	0.91%	0.88%	1.03%	.86%	.99%	0.96%	0.79%	0.89%
% Fund Balance	1.35%	0.55%	1.04%	0.62%	0.69%	0.56%	.60%	.34%	0.27%	0.10%	0.0%
PERSONNEL CHANGES											
Principals/Assistant Principals	405	382	373	380	385	410	415	436	414	416	416
Teachers**	10,050	10,471	10,611	10,798	9,513	9,811	9,904	9,736	9,633	9,825	9,907
Support Staff**					1,344	1,412	1,390	1,496	1,499	1,608	1,645
Assistants/Tutors	2,117	2,434	2,488	2,322	2,257	2,342	2,303	2,326	2,330	2,278	2,286
Admin./Office Personnel	1,174	1,128	1,143	1,161	1,192	1,230	1,245	1,238	1,237	1,207	1,204
Transportation	1,453	1,323	1,354	1,381	1,388	1,386	1,435	1,444	1,444	1,363	1,363
Building Services/Other	1,197	1,054	1,063	1,080	1,078	1,127	1,139	1,153	1,178	1,216	1,252
Total Personnel	16,396	16,792	17,032	17,122	17,157	17,718	17,831	17,829	17,735	17,913	18,073
TRANSPORTATION											
# of Yellow Buses	1,075	919	971	1,001	1,011	1,017	1,048	1,079	1,109	1,100	1,100

* Projected enrollment

**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.

[^] Five Olympic High School academies, each with its own school number, were merged into one location, now having one designated school number.

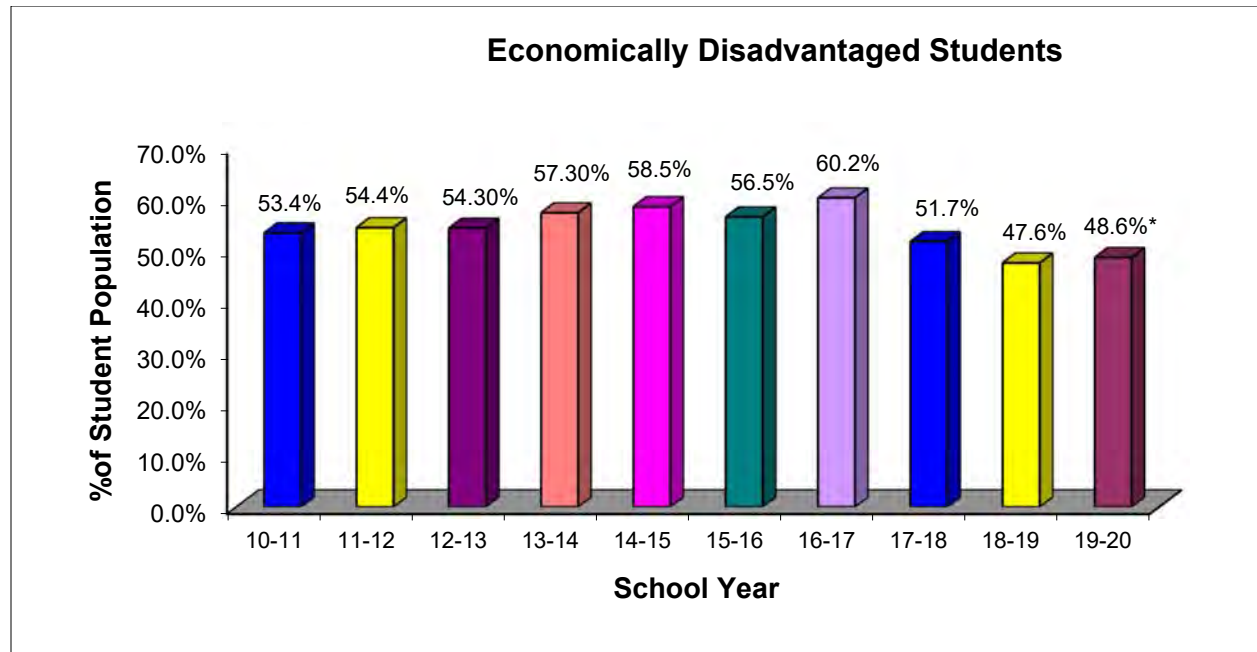
STUDENT POPULATION TRENDS IN CHARLOTTE-MECKLENBURG SCHOOLS

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.

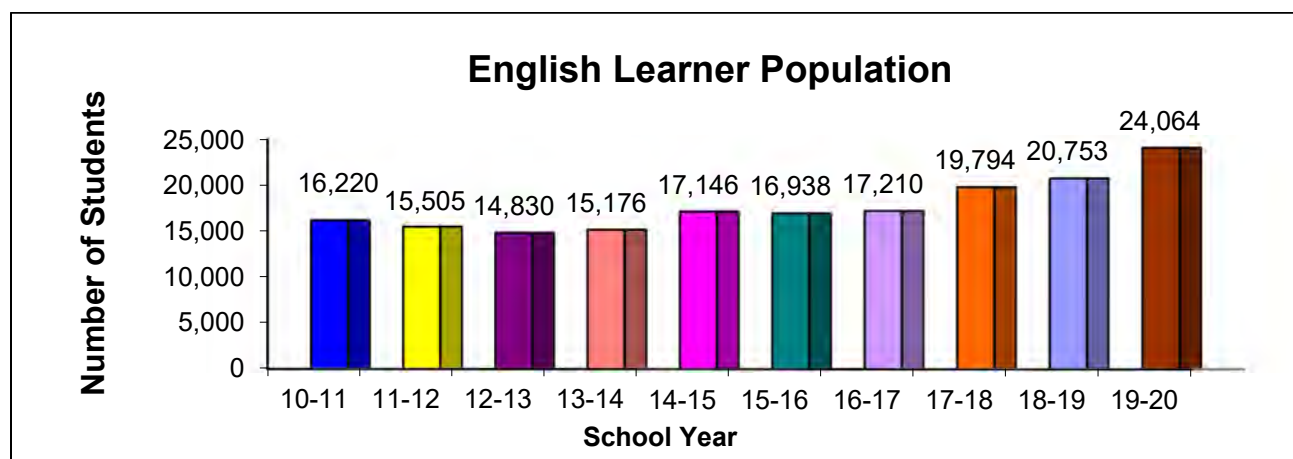
CMS serves a large number of economically disadvantaged students (EDS) who qualify for the federal assistance lunch program. The number of CMS students who qualify for federal assistance decreased to 48.63% in 2019-20 as calculated by the new formula noted below.



* 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.

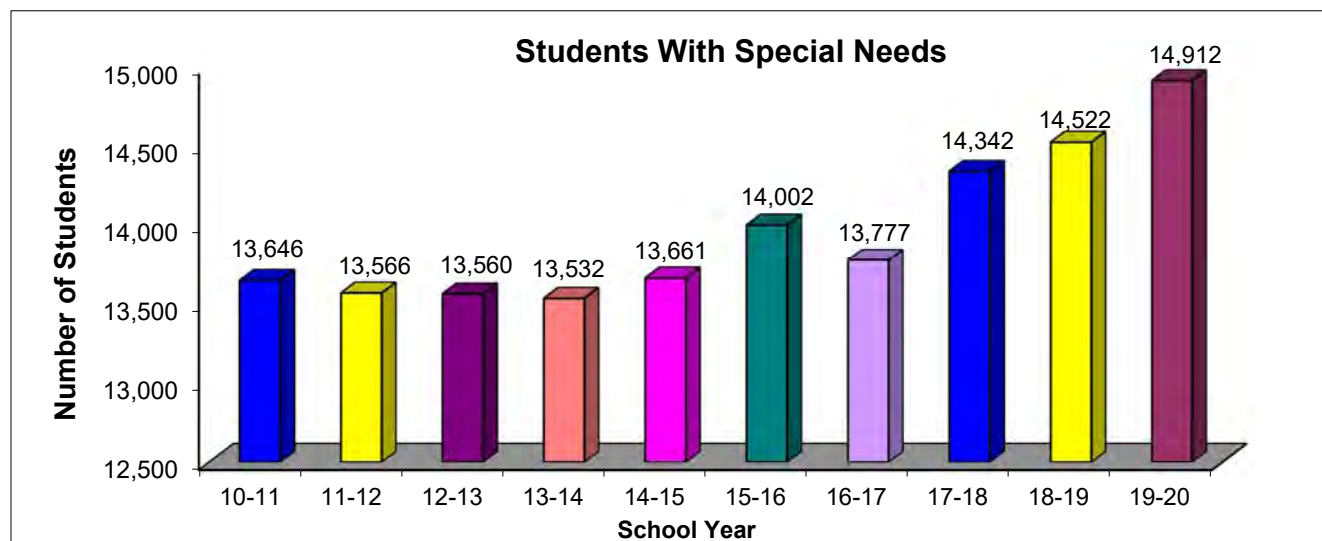
STUDENT POPULATION TRENDS IN CHARLOTTE-MECKLENBURG SCHOOLS

The number of English Learner (EL) students increased in 2019-20. This year's PreK-12 EL count is 24,064 - an increase from last year's count (20,753) by 3,311. Within CMS, more than 47,174 K-12 students speak a language other than English at home. CMS students speak 204 different languages and come from 187 countries. The top five home languages are Spanish, Vietnamese, Arabic, French and Telugu. That represents a 48% growth rate since the 2010-2011 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.

According to the December 1, 2019 child count, 14,912 CMS students – 10.1% of our enrollment - 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.



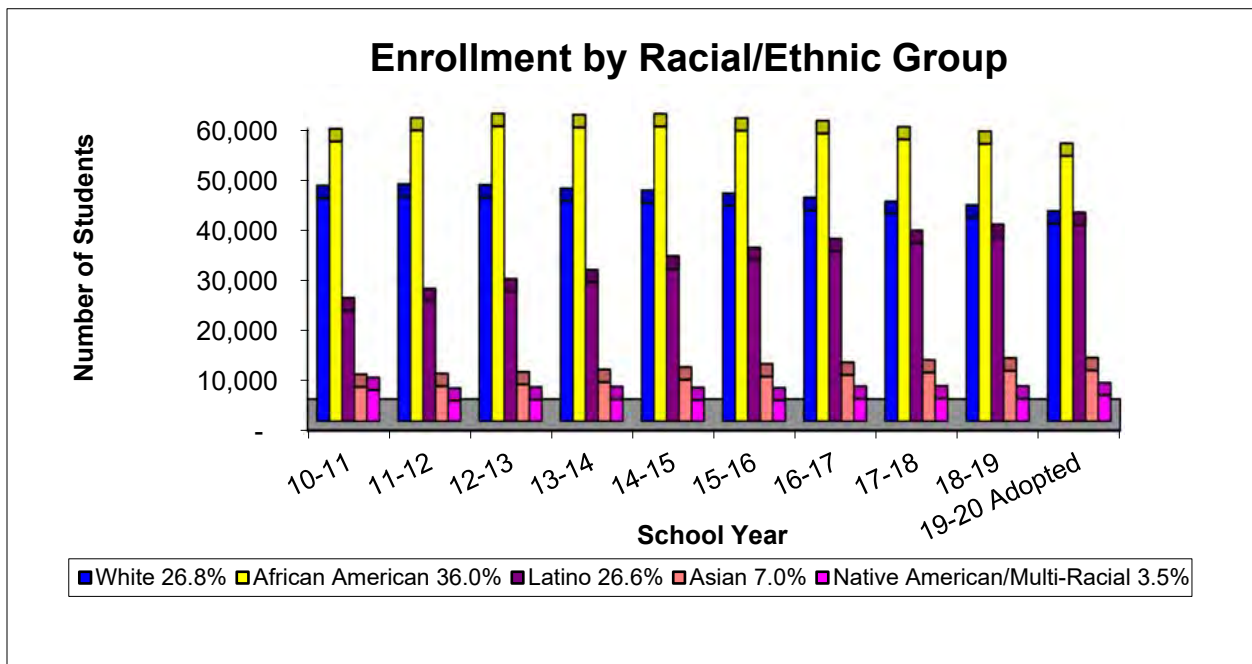
CMS also serves approximately 17,066 identified gifted and talented students.

STUDENT POPULATION TRENDS IN CHARLOTTE-MECKLENBURG SCHOOLS

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. However, funding must be available to make this goal a reality.

CMS Student Population At A Glance 2019-20*

American Indian/Multiracial/Pacific Islander	3.5%
Asian	7%
African-American	36%
Hispanic/Latino	27%
White	27%
Economically Disadvantaged Students	47.6%
Native languages	204
Countries represented	187
English Learners	24,064
Students with Special Needs	14,912

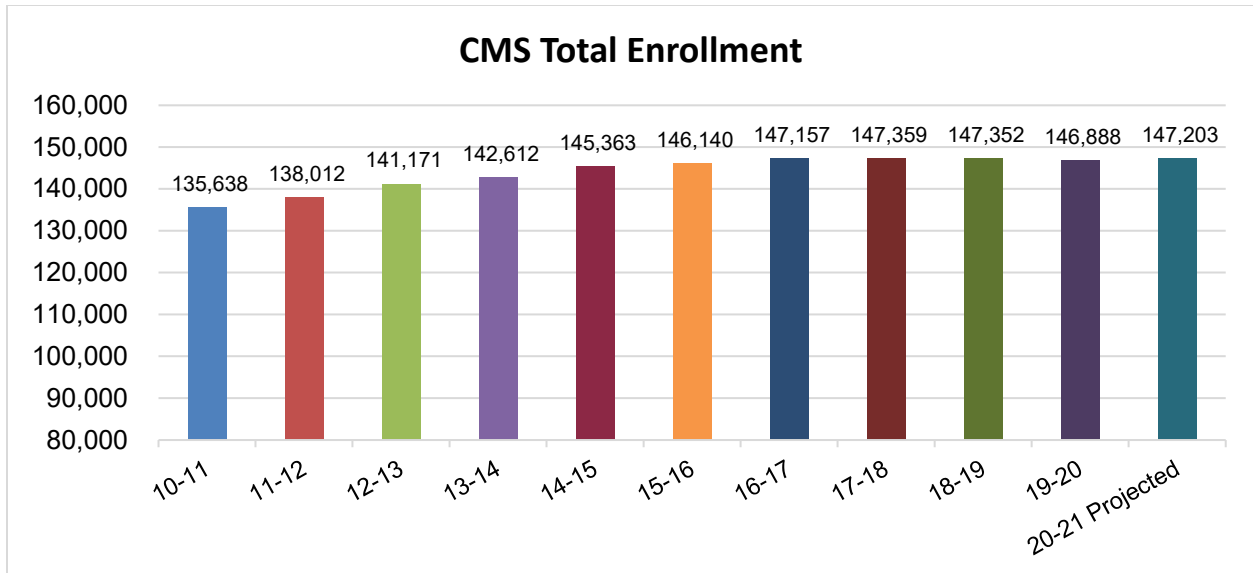


*CMS 20th day count

STUDENT POPULATION TRENDS IN CHARLOTTE-MECKLENBURG SCHOOLS

Enrollment

Enrollment in 2019-20 fell by 464 students. Since 2010-11, CMS has grown by 11,250 students to an enrollment of 146,888* students in the 2019-20 school year. Enrollment for the 2020-21 school year is projected to increase by 315 students.

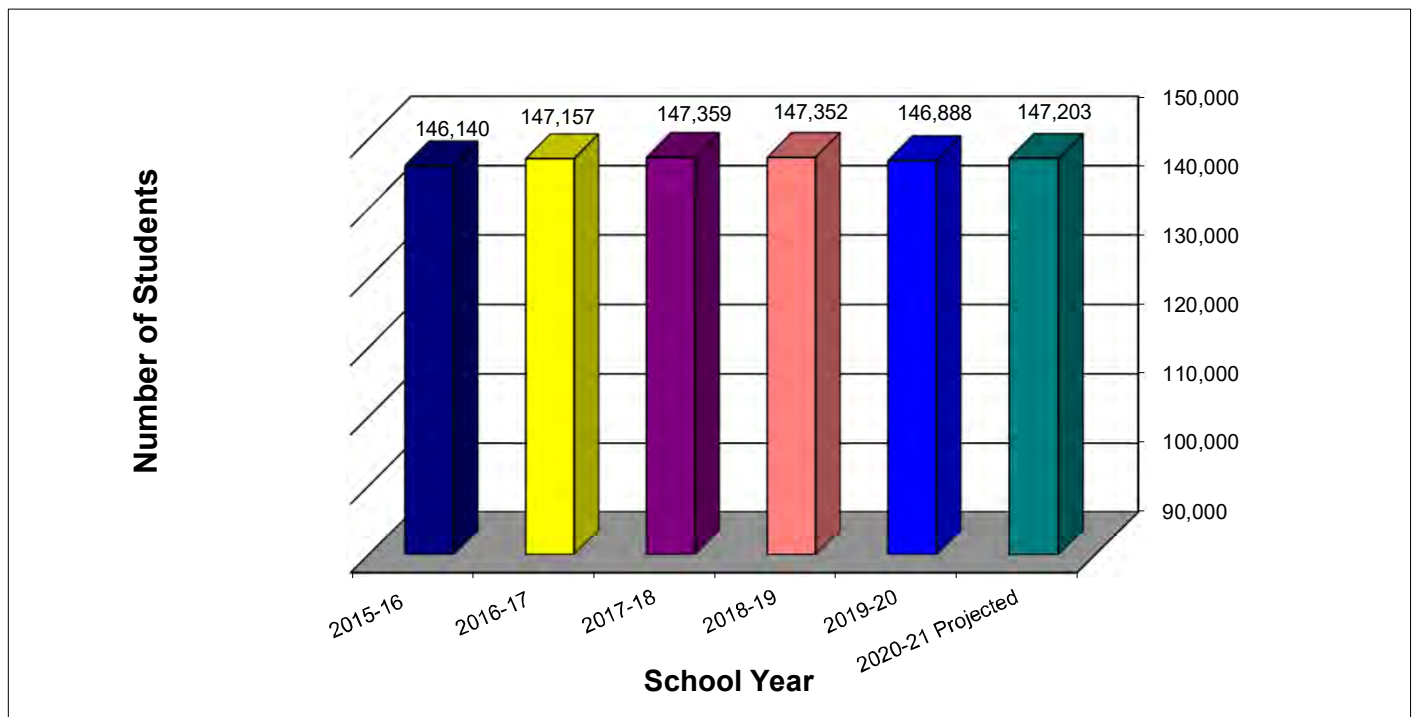


*CMS 20th day count

SIX YEAR ENROLLMENT COMPARISON BY GRADE LEVEL

Grades	2020-21 Projected	2019-20 Actual*	2018-19 Actual*	2017-18 Actual*	2016-17 Actual*	2015-16 Actual*
K	10,693.00	10,750	10,824	11,067	11,263	11,734
1	11,267.00	11,103	11,260	11,214	11,743	12,107
2	11,195.00	11,043	11,153	11,433	12,029	12,160
3	11,175.00	11,046	11,409	11,949	12,204	12,027
4	11,492.00	11,345	11,850	12,039	11,867	11,562
5	11,211.00	11,678	11,788	11,611	11,386	11,126
6	11,436.00	11,529	11,365	11,018	10,768	9,994
7	11,306.00	11,375	11,075	10,861	10,156	10,781
8	11,286.00	11,308	11,012	10,229	10,925	10,617
9	12,942.00	12,952	11,978	12,702	12,488	12,962
10	11,957.00	10,787	11,553	11,506	11,648	11,259
11	9,586.00	9,964	10,028	10,170	9,851	9,234
12	9,634.00	9,970	10,097	9,702	8,997	8,830
Special	2,023.00	2,038	1,960	1,858	1,832	1,747
TOTAL ENROLLMENT	<u>147,203</u>	<u>146,888</u>	<u>147,352</u>	<u>147,359</u>	<u>147,157</u>	<u>146,140</u>

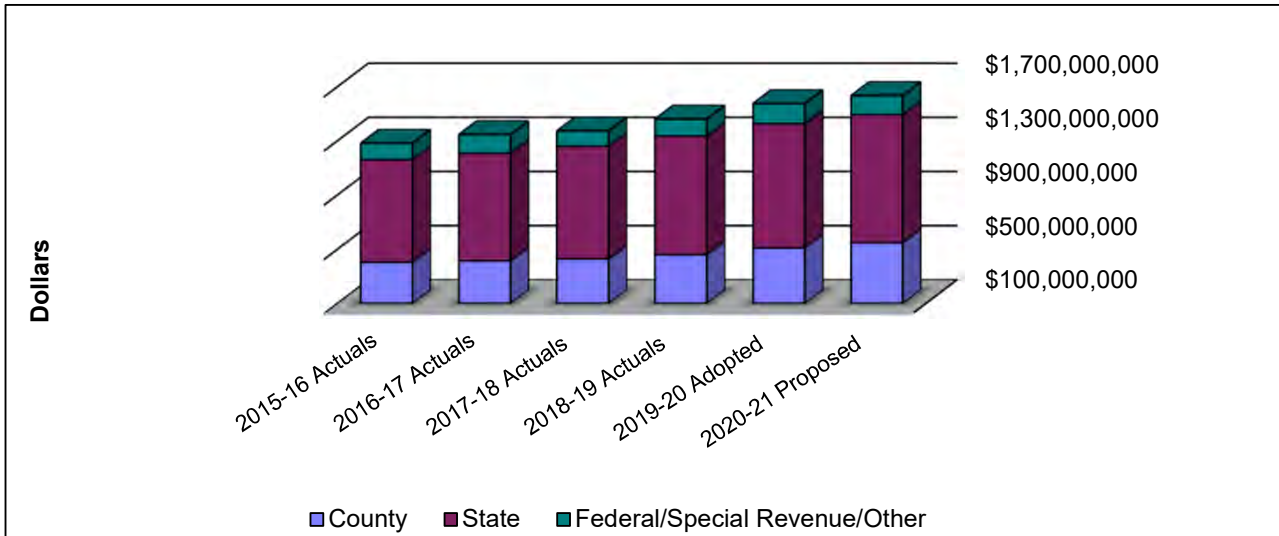
* End of First Month (20th Day)



CURRENT EXPENSE SIX YEAR EXPENDITURE COMPARISON

	County		State		Federal/Special Revenue/Other		Total	
	Dollars	% Incr.	Dollars	% Incr.	Dollars	% Incr.	Dollars	% Incr.
2020-21 Proposed Budget	\$ 548,335,246	7.6%	\$ 945,060,982	3.0%	\$ 140,891,446	-5.0%	\$ 1,634,287,674	3.8%
2019-20 Adopted Budget	\$ 509,451,701	10.8%	\$ 917,276,105	5.0%	\$ 148,278,368	16.8%	\$ 1,575,006,174	7.9%
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%
2016-17 Actuals	\$ 413,493,792	2.3%	\$ 794,257,003	4.9%	\$ 137,826,349	14.2%	\$ 1,345,577,144	5.0%
2015-16 Actuals	\$ 404,286,016	4.1%	\$ 756,804,591	4.3%	\$ 120,650,904	-7.5%	\$ 1,281,741,511	3.0%

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

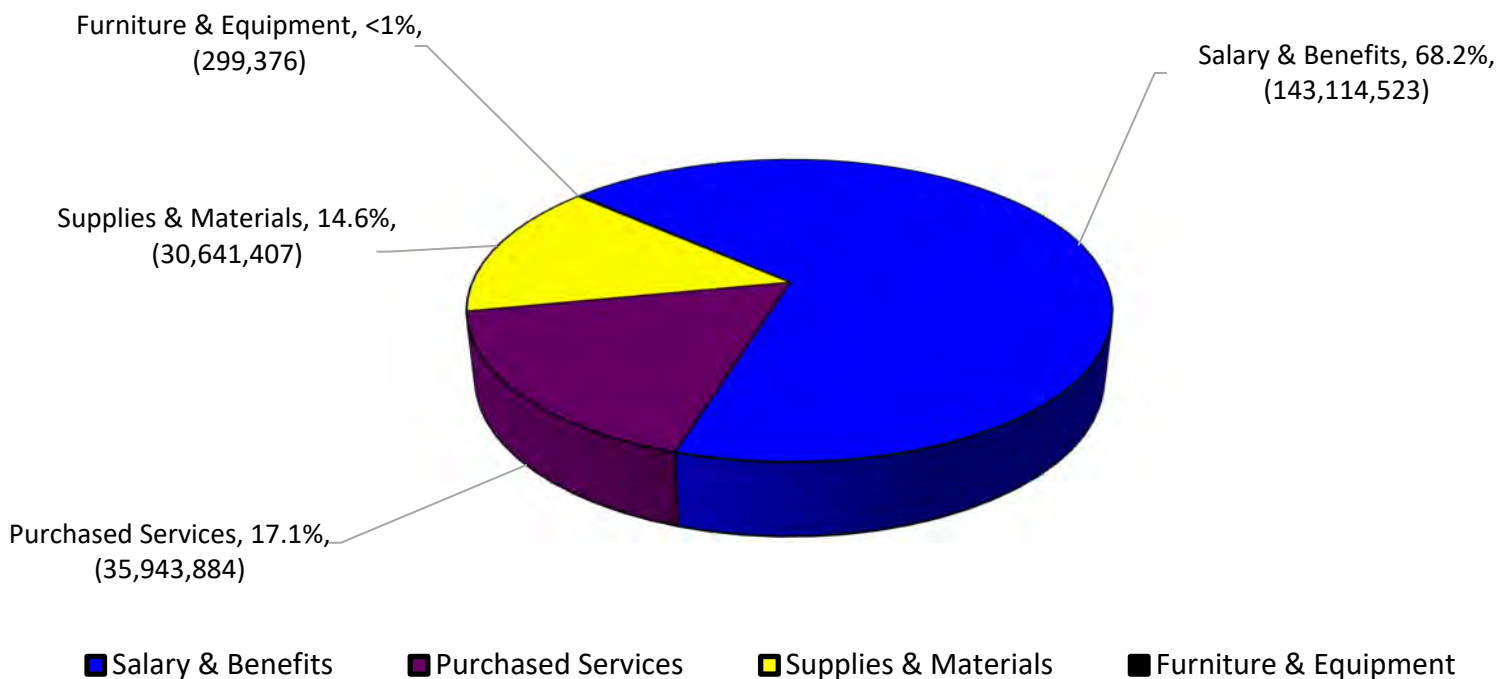


REDIRECTION OF RESOURCES

As a continued part of Charlotte-Mecklenburg Schools budget development process to remain fiscally responsible and cost effective, each area is reviewed and evaluated and recommendations regarding the future of programs or services are made. Recommendations can include reduction, expansion, elimination or maintaining status quo depending on the effectiveness of the program or service. In addition, each year all areas have been asked to drill down to the expenditure level to see how they could use their resources more effectively to accomplish the goals of their department. The alignment of resources to the goals outlined in the priority focus areas assists in scrutinizing each item in the budget based on its relevance to the overall plan and goals of the district. These processes and other continuous improvement efforts result in a more efficient operation.

The following charts reflect the net reductions and redirections over the last ten years from state, federal and county sources for a total of \$210 million. From 2010-11 to 2019-20, nearly \$138.4 million has been redirected within the county funded portion of the budget to offset the budget increases needed for growth, new schools and sustaining operations at current service levels. Although all redirections ultimately impact the school level, there has been a focused effort to try to minimize the impact on the classroom and, most importantly, our students.

**Total Budget Reductions and Redirections from
FY 2010-2011 = \$209,999,190**

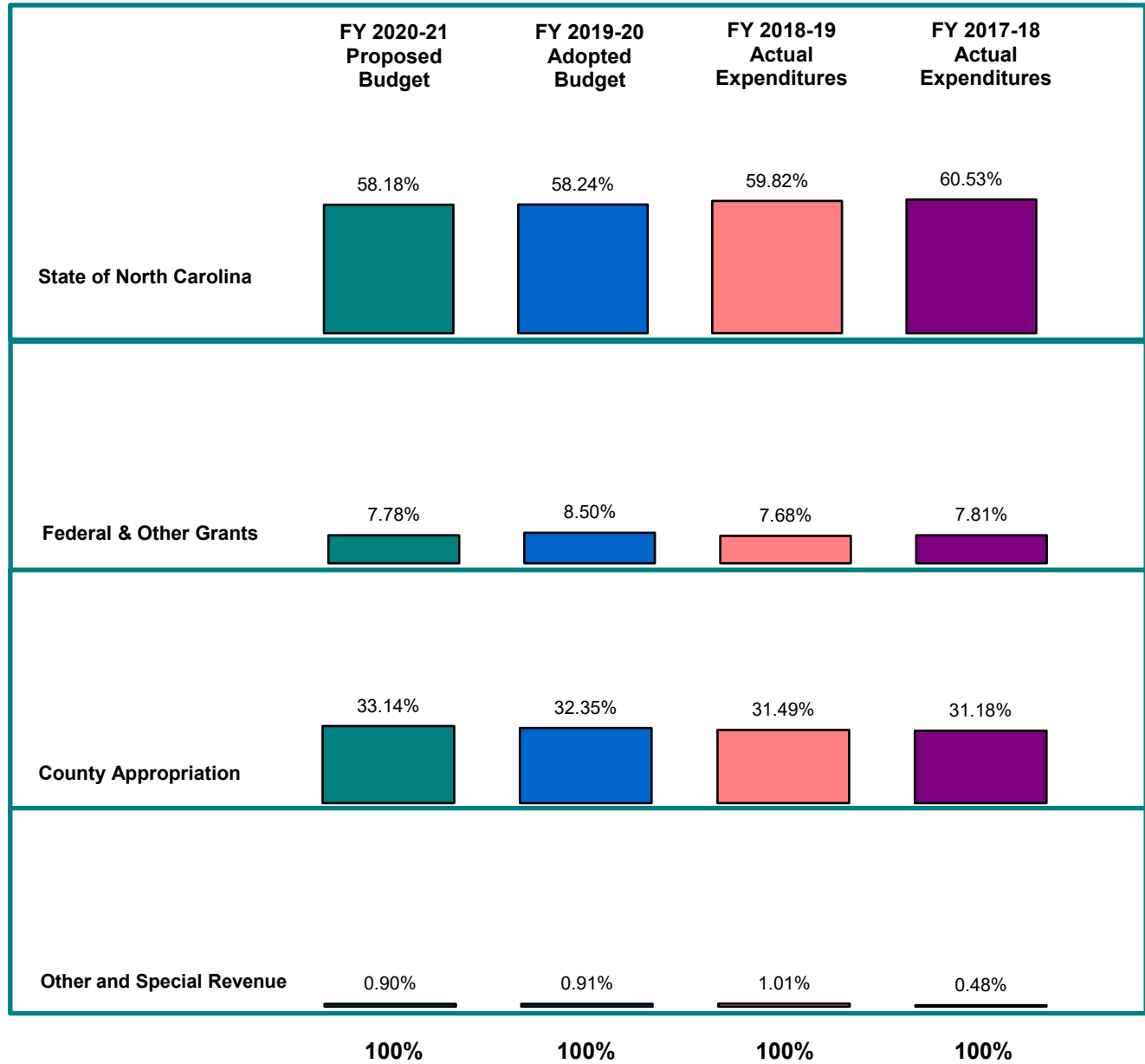


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COMPARATIVE EXPENDITURES BY FUNDING SOURCE

	FY 2020-21 Proposed Budget	FY 2019-20 Adopted Budget	FY 2018-19 Actual Expenditures	FY 2017-18 Actual Expenditures
State of North Carolina	\$ 945,060,982	\$ 917,276,105	\$ 873,526,095	\$ 831,244,689
Federal and Other Grants	126,376,446	133,941,671	112,202,773	107,202,456
County Appropriation	538,335,246	509,451,701	459,864,612	428,136,763
Other and Special Revenue	14,515,000	14,336,697	14,747,039	6,562,463
Total	\$ 1,624,287,674	\$ 1,575,006,174	\$ 1,460,340,519	\$ 1,373,146,371

COMPARATIVE EXPENDITURES PERCENTAGE BY SOURCE

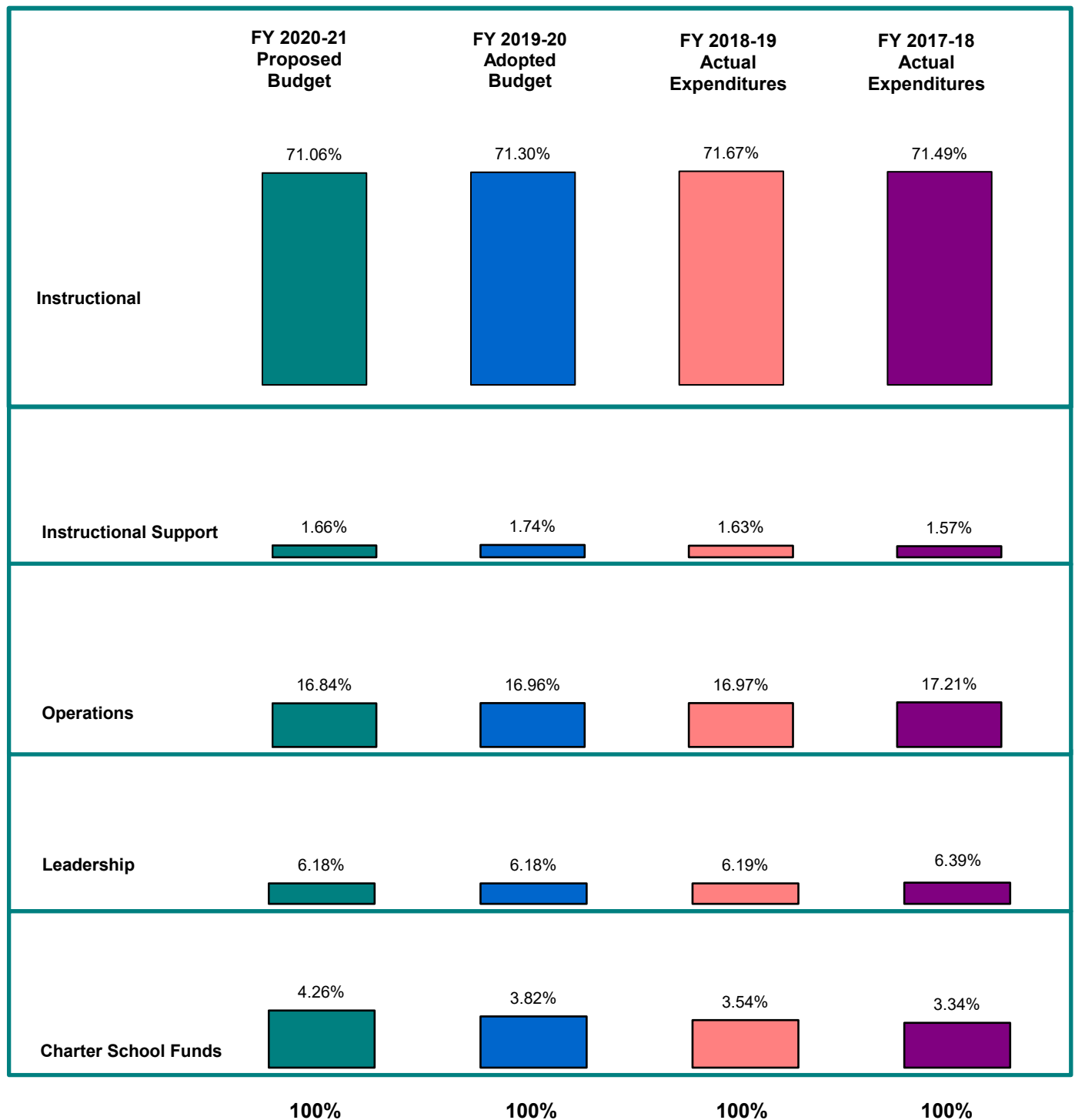


Note: Vertical bar graphs are not intended to be proportional across categories.

COMPARATIVE EXPENDITURES BY MAJOR FUNCTION

	2020-21 Proposed Budget	2019-20 Adopted Budget	2018-19 Actual Expenditures	2017-18 Actual Expenditures
Instructional				
Regular Instructional	\$ 768,615,571	\$ 744,293,638	\$ 711,108,377	\$ 662,810,566
Special Populations	178,844,838	174,213,418	158,632,543	151,401,221
Alternative Programs	109,686,563	109,774,604	93,960,281	90,770,863
Co-Curricular	6,778,180	6,673,760	6,755,262	6,576,596
School-Based Support	90,208,361	87,943,752	76,130,161	70,111,676
Total Instructional	<u>1,154,133,513</u>	<u>1,122,899,172</u>	<u>1,046,586,624</u>	<u>981,670,922</u>
Instructional Support				
Support and Development	13,309,521	12,714,670	11,850,121	10,016,145
Special Population Support and Development	4,314,915	5,087,918	3,593,289	3,505,552
Alternative Programs Support and Development	5,419,580	5,698,737	4,579,839	3,982,363
System-wide Pupil Support	<u>3,999,824</u>	<u>3,977,986</u>	<u>3,714,592</u>	<u>4,067,313</u>
Total Instructional Support	<u>27,043,840</u>	<u>27,479,311</u>	<u>23,737,841</u>	<u>21,571,373</u>
Operations				
Technology Support	30,119,282	32,079,207	13,677,508	14,711,882
Operational Support	210,137,803	202,493,016	205,277,445	192,780,856
Financial and Human Resource Services	23,742,910	23,012,445	20,669,362	21,393,345
Accountability	5,522,975	5,393,773	4,505,596	3,912,882
Community Services	561,025	549,353	721,616	772,792
Nutrition Services	349,705	350,648	735,061	249,487
Debt Service	-	-	-	581,648
Other	<u>3,143,344</u>	<u>3,205,331</u>	<u>2,272,591</u>	<u>1,911,113</u>
Total Operations	<u>273,577,044</u>	<u>267,083,773</u>	<u>247,859,179</u>	<u>236,314,005</u>
Leadership				
Policy, Leadership and Public Relations	17,597,658	17,870,118	15,529,390	16,825,609
School Leadership Services	<u>82,749,376</u>	<u>79,486,836</u>	<u>74,869,485</u>	<u>70,853,991</u>
Total Leadership	<u>100,347,034</u>	<u>97,356,954</u>	<u>90,398,875</u>	<u>87,679,600</u>
Charter School Funds	69,186,243	60,186,964	51,758,000	45,910,471
Total	<u>\$ 1,624,287,674</u>	<u>\$ 1,575,006,174</u>	<u>\$ 1,460,340,519</u>	<u>\$ 1,373,146,371</u>

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
INSTRUCTION TAKES TOP PRIORITY

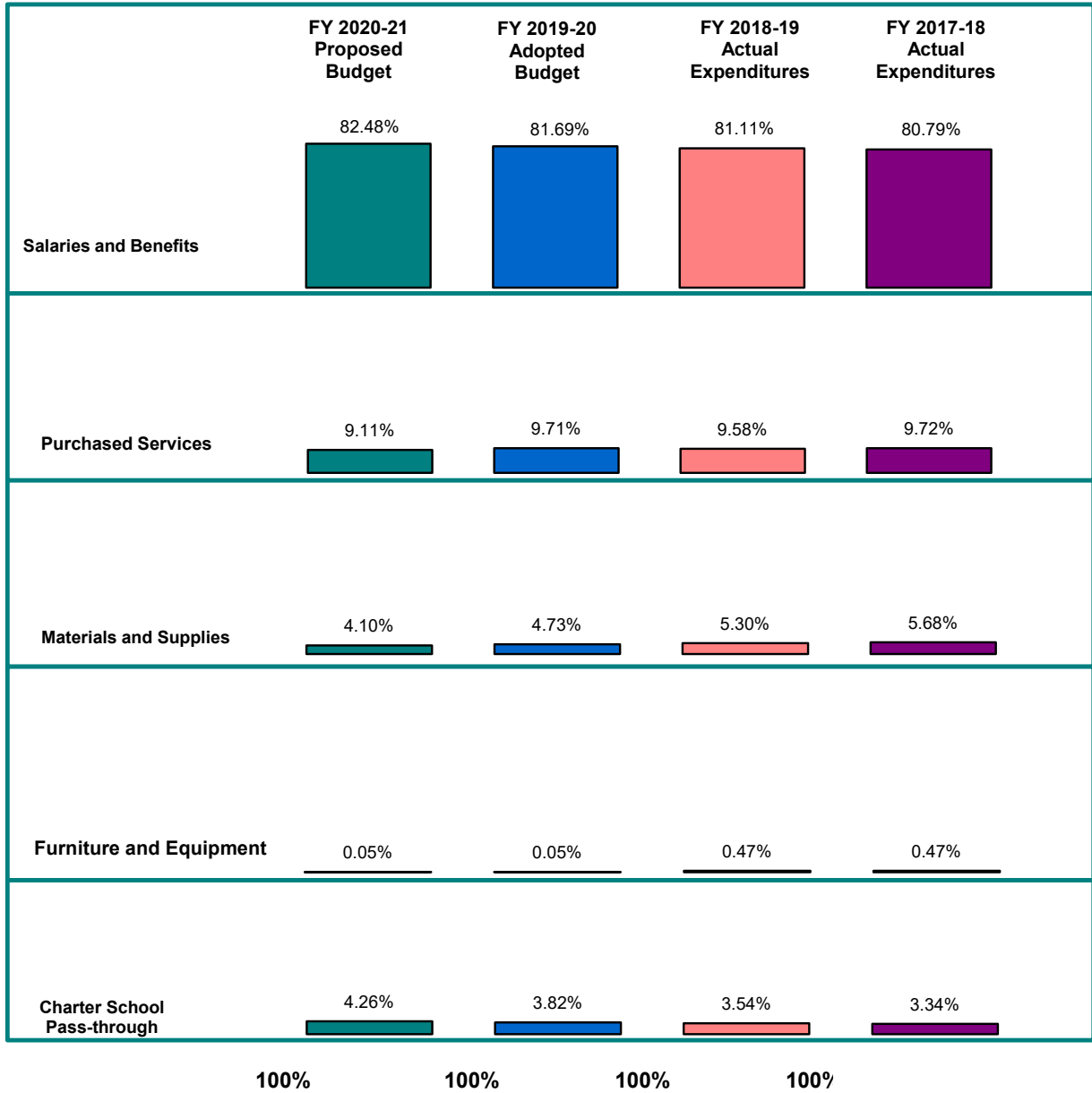


Note: Vertical bar graphs are not intended to be proportional across categories.

COMPARATIVE EXPENDITURES BY OBJECT CODE

	2020-21 Proposed Budget	2019-20 Adopted Budget	FY 2018-19 Actual Expenditures	FY 2017-18 Actual Expenditures
Salaries	\$ 952,299,066	\$ 923,959,876	\$ 870,933,259	\$ 823,950,347
Benefits	387,359,792	362,696,201	313,473,755	285,240,099
Purchased Services	148,034,816	153,010,515	139,874,773	133,531,606
Materials and Supplies	66,647,915	74,430,711	77,365,288	78,053,965
Furniture and Equipment	756,842	721,907	6,935,444	6,459,883
Charter School Pass-through	69,186,243	60,186,964	51,758,000	45,910,471
Total	<u>\$ 1,624,284,674</u>	<u>\$ 1,575,006,174</u>	<u>\$ 1,460,340,519</u>	<u>\$ 1,373,146,371</u>

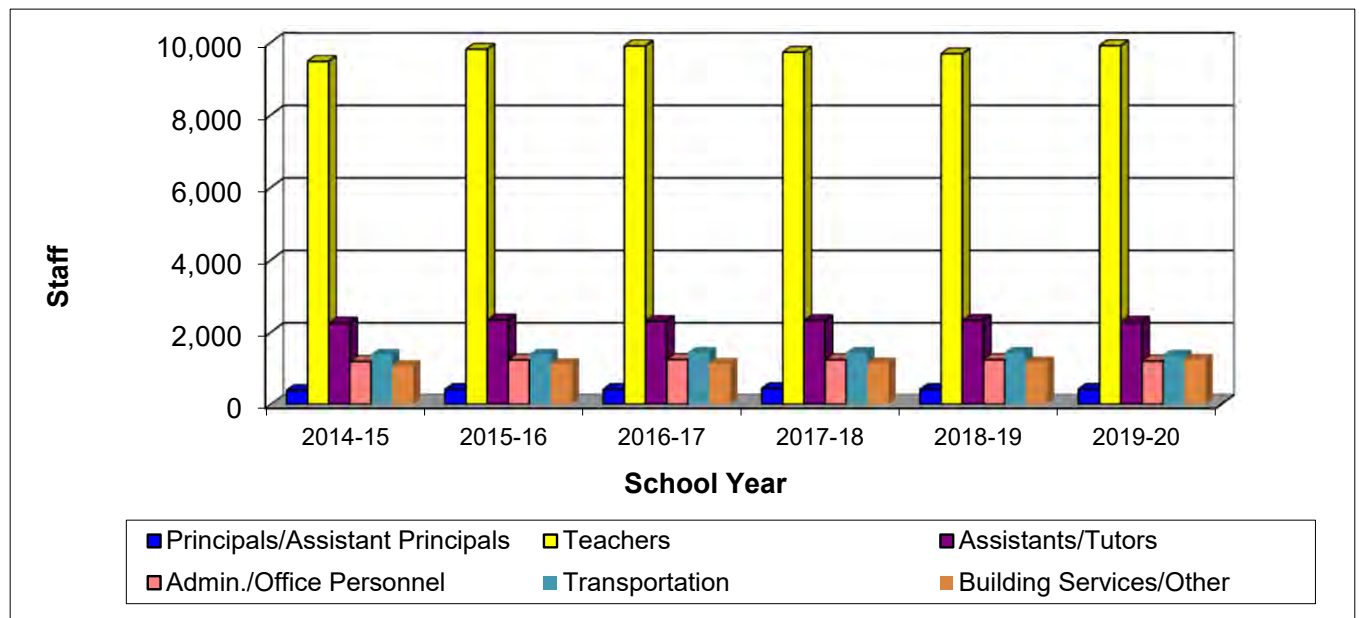
PRIMARY INVESTMENT IS IN OUR PEOPLE



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

SUMMARY OF STAFFING

	State	County	Federal/ Special Revenue/ Other	2020-21 Adopted Budget	2019-20 Amended Budget	Inc./ (Dec.) for 2020-21	2018-19 Adopted Budget
Principals and Assistant Principals	314.00	101.91	0.30	416.21	415.21	1.00	413.70
Teachers	8,431.02	1,141.94	334.50	9,907.46	9,800.46	107.00	9,629.92
Support Staff	1,116.45	351.75	177.00	1,645.20	1,601.20	44.00	1,498.01
Assistants, Tutors and Support	1,269.10	290.50	726.00	2,285.60	2,278.60	7.00	2,330.55
Administration and Office Personnel	489.25	654.00	60.50	1,203.75	1,199.75	4.00	1,242.90
Transportation	1,350.50	12.38	-	1,362.88	1,362.88	-	1,444.88
Building Services and Other	624.00	620.00	8.00	1,252.00	1,216.00	36.00	1,175.00
Total	13,594.32	3,172.48	1,306.30	18,073.10	17,874.10	199.00	17,734.96



CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
SUMMARY OF STAFFING DETAILS

	Program Reference	Program Change Description	State	County	Federal/Other	Total
Principals and Assistant Principals						
Principal	III.B.1	New Schools - Staffing & Operating Costs	1.00			1.00
		Subtotal Principals and Assistant Principals	1.00	0.00	0.00	1.00
Teachers						
Regular Education Teachers	I.A.1	HB90 Enhancement Teachers	90.00			90.00
Exceptional Children Teachers	III.A.1	Student Enrollment Growth		7.00		7.00
Regular Education Teachers	III.B.1	New Schools - Staffing & Operating Costs	6.00			6.00
Exceptional Children Teachers	IV.B.	Exceptional Children Staffing		4.00		4.00
		Subtotal Teachers	96.00	11.00	0.00	107.00
Assistants						
Exceptional Children Teacher Assistants	III.A.1	Student Enrollment Growth		2.00		2.00
In-School Suspension Assitant	III.B.1	New Schools - Staffing & Operating Costs	1.00			1.00
Intensive Behavioral	IV.A.	Student Support Staffing		2.00		2.00
Exceptional Children Teacher Assistants	IV.B.	Exceptional Children Staffing		2.00		2.00
		Subtotal Assitants	1.00	6.00	0.00	7.00
Support Staff						
Speech Therapists	III.A.1	Student Enrollment Growth		3.00		3.00
Media Coordinator	III.B.1	New Schools - Staffing & Operating Costs	1.00			1.00
Facilitators	III.B.1	New Schools - Staffing & Operating Costs		3.00		3.00
Counselors	IV.A.	Student Support Staffing		15.00		15.00
Psychologists	IV.A.	Student Support Staffing		5.00		5.00
Social Workers	IV.A.	Student Support Staffing		15.00		15.00
Occupational Therapists	IV.B.	Exceptional Children Staffing		2.00		2.00
		Subtotal Support Staff	1.00	43.00	0.00	44.00
Administrative and Office Personnel						
Secretary, Administrative	III.B.1	New Schools - Additional Staffing	2.00	1.00		3.00
Facilities Planning Director	IV.D.	Building Services PM		1.00		1.00
		Subtotal Admin and Office Personnel	2.00	2.00	0.00	4.00
Building Services and Others						
Head Custodian I	III.B.3	New Schools - Staffing & Operating Costs		1.00		1.00
Head Custodian II	III.B.4	New Schools - Staffing & Operating Costs		1.00		1.00
Custodian	III.B.5	New Schools - Staffing & Operating Costs		10.00		10.00
Roofer II	III.B.6	New Schools - Staffing & Operating Costs		2.00		2.00
HVAC	III.B.7	New Schools - Staffing & Operating Costs		2.00		2.00
Facilities Project Managers	III.B.8	New Schools - Staffing & Operating Costs		2.00		2.00
Security Associate	IV.C.	Safety & Security		15.00		15.00
Locksmith	IV.C.	Safety & Security		2.00		2.00
Fire Alarm Specialist	IV.C.	Safety & Security		1.00		1.00
		Subtotal - Building Services & Other	0.00	36.00	0.00	36.00
Program Continuation						
		GRAND TOTAL	101.00	98.00	0.00	199.00

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