



Budget Presentation

Franklin County Schools

February 10, 2025

Dr. Rhonda Schuhler, Superintendent
Quinnley Coley, Chief of Finance



General Budget Process Update

- Each spring, we develop budget priorities for current expenses and for capital outlay in budget preparation for the upcoming fiscal year. These recommended priorities are normally shared with the BOE at a February meeting.
- On January 17th, Dr. Schuhler met with Ryan Preble, interim County Manager, to review the proposed timeline and discuss next steps to ensure a smooth budget process this spring.
- On January 27th, Dr. Schuhler provided the Board of Education with a recommended timeline for budget development.
- **Our timeline is as follows:**
 - ▶ **February 2025:** Develop and review preliminary priorities for current expense budget with the Board of Education (Feb. 10th meeting); leadership from both the Board of Education (BOE) and Board of Commissioners (BOC) will meet to discuss these preliminary recommendations and timeline (Dr. Schuhler reached out last week to schedule), making any adjustments as necessary; hold multiple small-group meetings as needed to discuss budget; continue to gather feedback on facilities needs in preparation to share with BOE in March.
 - ▶ **March 2025:** Provide BOE with presentation on recommended capital outlay priorities (March 10th meeting); continue small-group meetings as needed
 - ▶ **April 2025:** Seek BOE approval of full budget recommendation (current expense and capital outlay) for 2025-26 (April 14th meeting); Send budget message and request to County Manager (April 15th); provide staff and parents an update and rationale for request.





Budget Development Process

	Board of Education	Superintendent's Cabinet & District Leadership	Local, State, Federal Governments
July - November	District operates under the continuation resolution (BOE adopted by June 30th)	District leaders further define needs for the current year	Allotment of new year funding begins
December	Board adopts official budget resolution (prior to winter break)	Finance Team puts the budget details together for budget resolution for current year	Allotment revisions & legislative policy changes continue
January - February	Discussion about district priorities for funding (meeting focus on local current expense); budget work sessions	Meetings with district leaders to further conversations about new & recurring needs for upcoming year	Allotment revisions & legislative policy changes continue
February - March	Discussion about district priorities for funding (meeting focus on capital outlay); budget work sessions	Meetings with district leaders to further conversations about new & recurring needs for upcoming year	Allotment revisions & legislative policy changes continue
April	Board approves budget submission to the county for funding	Meetings with district leaders to further conversations about new & recurring needs for upcoming year	Allotment revisions & legislative policy changes continue
May - June	County responds about funding as the district finalizes the current year and adopts a continuation budget for the next year	Preliminary allotment of funds are distributed, analyzed and reconciled in preparation for the new year	Allotment revisions & legislative policy changes continue





Communication and Collaboration

Daily: Business & Finance collaborates on a daily basis with the entire district to manage the budget, process payroll and attached statutory taxes & deductions including the state retirement withholdings & 401k, bank reconciliations, district-wide invoicing and purchasing, inventory & fixed asset management, capitalized projects, staffing & salary changes, salary audits, assistance with contract management including insurance coverages for property, WC, unemployment, vehicle fleet, general liability & cyber, charter school invoicing and overall customer care to the individual schools as well as the entire district.

Weekly: Superintendent Cabinet meetings and DPI/NCASBO webinars

Monthly or Quarterly: Business & Finance Departmental/Program meeting with Leadership, Leadership Retreats & Principal/AP meetings, BOE and/or BOCC meetings, Safety Team and meetings with vendors interested in business with FCS

Annually or Semi-annually: NCASBO Conference, Audit Team(s) visits; Spring Principal allotment meetings; Principals & Treasurers receive allotment notifications from Finance followed by a meeting/walk thru as allowed or requested; Charters provide ADM projections during the budget development process.

Instructional Services (Elementary & Secondary)
Individual School Accounting
Beginning Teacher Support
Student Data, Accountability & Testing
Charter & Virtual Schools
Athletics
Exceptional Children
Student Support Services
CTE
AIG
ESL
VIF
STEM
Early College HS
Music & Arts
Federal Programs & Grants
Technology & Copier Services
Textbooks
Transportation
Custodial Support
Maintenance
Auxiliary Services & Capital Outlay
Child Nutrition
Before and After Care
Pre-K
Human Resources, Personnel & Benefits
Communication & Public Information
Business & Finance
Safety & Security
Summer Learning
Student Discipline



2024-2025 Budget Resolution Totals By Fund Source (updated with pending amendment totals*)



	Dec. Budget Resolution	Pending Amendments
State Public School Fund	\$67,654,318	\$68,028,902*
Local Current Expense Fund (includes \$8,542,509 transferred to charter schools in/out of the district)	\$31,765,462	N/C*
Federal Grants Fund	\$9,984,387	\$9,986,074*
Capital Outlay Fund	\$2,583,669	N/C*
Child Nutrition Fund	\$5,665,025	N/C
Before and After Care Fund	\$270,464	N/C
Restricted Grants/Other Revenue	\$1,663,928	\$1,671,439*
Total budgeted for all funds (pending amendments*)	\$119,587,253	\$119,971,035*





State Funds Allocation

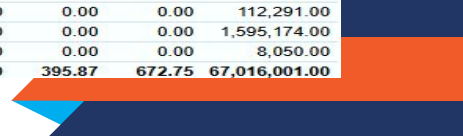
- Approximately **92% (almost \$63 million)** of State Funds are consumed by salaries & benefits. (object codes 100-200's)
- The remaining **8% (over \$5.2 million)** is obligated for items such as products, services and equipment. (object codes 300-500's)



State Funds Allocation Continues...



Fiscal Year	LEA	PRC	PRC Description	Grant Year	Rev#072 Position	Rev#072 Month	Rev#072 Dollar	As of Rev#072 Position	As of Rev#072 Month	As of Rev#072 Dollar
2024-25	350	001	Classroom Teachers		0.00	0.00	0.00	340.87	0.00	25,822,032.00
2024-25	350	002	Central Office Administration		0.00	0.00	0.00	0.00	0.00	817,600.00
2024-25	350	003	Non-Instructional Support Personnel		0.00	0.00	0.00	0.00	0.00	2,604,761.00
2024-25	350	004	K-5 Program Enhancement Teachers		0.00	0.00	0.00	17.00	0.00	1,380,740.00
2024-25	350	005	School Building Administration		0.00	0.00	0.00	0.00	272.00	2,726,688.00
2024-25	350	006	School Health Personnel-Position		0.00	0.00	0.00	19.00	0.00	1,706,466.00
2024-25	350	007	Instructional Support Personnel - Certified		0.00	0.00	0.00	19.00	0.00	1,646,958.00
2024-25	350	013	Career Technical Education - Months of Employment		0.00	0.00	0.00	0.00	400.75	3,123,292.00
2024-25	350	014	Career Technical Education - Program Support		0.00	0.00	0.00	0.00	0.00	336,933.00
2024-25	350	016	Summer Reading Camps		0.00	0.00	0.00	0.00	0.00	144,436.00
2024-25	350	020	International Faculty Exchange Teachers		0.00	0.00	0.00	0.00	0.00	705,789.00
2024-25	350	023	CTE Modernization and Support Grant		0.00	0.00	0.00	0.00	0.00	16,373.00
2024-25	350	024	Disadvantage Students Supplemental Funding		0.00	0.00	0.00	0.00	0.00	2,158,930.00
2024-25	350	027	Teacher Assistants		0.00	0.00	0.00	0.00	0.00	2,479,813.00
2024-25	350	029	Behavioral Support		0.00	0.00	0.00	0.00	0.00	145,000.00
2024-25	350	031	Low Wealth Counties Supplemental Funding		0.00	0.00	0.00	0.00	0.00	3,743,422.00
2024-25	350	032	Children with Disabilities		0.00	0.00	0.00	0.00	0.00	6,024,746.00
2024-25	350	034	Academically or Intellectually Gifted		0.00	0.00	0.00	0.00	0.00	478,659.00
2024-25	350	039	School Safety Grants for School Resource Officers		0.00	0.00	0.00	0.00	0.00	484,000.00
2024-25	350	040	School Safety Grants		0.00	0.00	0.00	0.00	0.00	185,713.00
2024-25	350	046	Third Grade Read to Achieve Teacher Bonus		0.00	0.00	0.00	0.00	0.00	43,961.00
2024-25	350	048	Principal and Other Teacher Performance Bonuses		0.00	0.00	0.00	0.00	0.00	120,434.00
2024-25	350	054	Limited English Proficiency		0.00	0.00	0.00	0.00	0.00	617,202.00
2024-25	350	055	Cooperative Innovative High Schools		0.00	0.00	0.00	0.00	0.00	200,000.00
2024-25	350	056	Transportation of Pupils		0.00	0.00	0.00	0.00	0.00	2,992,283.00
2024-25	350	061	Classroom Materials/Instructional Supplies/Equipment		0.00	0.00	0.00	0.00	0.00	251,559.00
2024-25	350	062	Small County and Low Wealth Signing Bonus for Teachers		0.00	0.00	0.00	0.00	0.00	63,514.00
2024-25	350	066	Teacher Assistant Tuition Reimbursement Program		0.00	0.00	0.00	0.00	0.00	25,614.00
2024-25	350	067	Assistant Principal Interns - MSA Students		0.00	0.00	0.00	0.00	0.00	211,660.00
2024-25	350	069	At-Risk Student Services/Alternative Schools		0.00	0.00	0.00	0.00	0.00	2,373,617.00
2024-25	350	071	Supplemental Funds for Teacher Compensation		0.00	0.00	0.00	0.00	0.00	1,273,828.00
2024-25	350	073	School Connectivity		0.00	0.00	0.00	0.00	0.00	40,201.00
2024-25	350	078	Digital Learning Initiative: Digital Literacy Solution		0.00	0.00	0.00	0.00	0.00	21,000.00
2024-25	350	079	Career Technical Education - Education & Workforce Innovation Program		0.00	0.00	0.00	0.00	0.00	74,956.00
2024-25	350	083	Career Technical Education - Credential Program Support		0.00	0.00	0.00	0.00	0.00	111,884.00
2024-25	350	085	Literacy Intervention		0.00	0.00	0.00	0.00	0.00	141,078.00
2024-25	350	087	LEA Direct Purchase of Replacement School Buses - Stop Arm Enhancement Fund - Cameras		0.00	0.00	0.00	0.00	0.00	5,344.00
2024-25	350	094	Average Daily Membership (ADM) Growth		0.00	0.00	0.00	0.00	0.00	112,291.00
2024-25	350	131	Textbook & Digital Resources		0.00	0.00	0.00	0.00	0.00	1,595,174.00
2024-25	350	258	Plasma Games Grant Program		0.00	0.00	0.00	0.00	0.00	8,050.00
Subtotal					0.00	0.00	0.00	395.87	672.75	67,016,001.00



State Funds Allocation Continues...



OTHER PROGRAMS

Fiscal Year	LEA	PRC	PRC Description	Grant Year	Rev#072 Position	Rev#072 Month	Rev#072 Dollar	As of Rev#072 Position	As of Rev#072 Month	As of Rev#072 Dollar
2024-25	350	012	Driver Training		0.00	0.00	0.00	0.00	0.00	229,586.00
2024-25	350	120	LEA Financed Purchase of School Buses		0.00	0.00	0.00	0.00	0.00	491,338.00
2024-25	350	015	School Technology Fund		0.00	0.00	0.00	0.00	0.00	149,438.00
Subtotal					0.00	0.00	0.00	0.00	0.00	870,362.00





Federal Funding Status and Other Updates From DPI

2-4-25 Update from the School Business Senior Director, Jennifer Bennett:

- Still waiting for details from the federal government
- “Right now, everything is supposed to be happening as usual”



January 29, 2025

Dear District and School Leaders,

The federal Office of Management and Budget (OMB) sent out a memo today rescinding the pause on access to federal grants and loans. Read the memo [here](#).

This message was sent out Tuesday, January 28, at 8 p.m.: A federal judge has temporarily blocked the Trump administration's freeze on federal grants and loans. Read more [here](#).

The North Carolina Department of Public Instruction will continue to work closely with the U.S. Department of Education to address any developments going forward.



Federal Funds Allocation



Title I: \$2,417,768.00 (not including Carryover) *This total includes revisions which added approx. \$14,000

Set-Asides	Costs
Administrative (12% max.)	\$212,729.16
PD for Title I Schools	\$15,000.00
Parent involvement	\$116,354.51
Homeless	\$50,000.00
PreKindergarten	\$377,064.85
District-wide initiatives (8 - IC's, Curriculum Resources & Ed-Tech)	\$552,636.31
Foster Care	\$20,000.00
Total Set -aside	\$1,322,628.00
Schools' Allocation	\$1,365,998.64
Per pupil Allocation	\$340 Actual (\$237.16 Minimum)





Federal Funds Allocation Continues...

Title I: Carryover funds: **\$270,858.64**

Title 1 allotments are received in the form of installments. Our single installment, totalling 100% of the FCS budget has been received YTD.

Carryover allows the district to sustain business as usual until the installments are allotted from DPI. This process could take several months into the year which means that the district would have to cease Title 1 funding obligations until the new funding is received if no reserves are implemented for carryover.





Federal Funds Continued...

Federal Funds	Allocation
Title II: Preparing, Training and Recruitment of HQ Teachers and Principals (PRC 103)	\$498,391.98 (includes Carryover)
Title III: Language Instruction for Limited English Proficient and Immigrant Students (PRC 104)	\$155,424.00 (includes Carryover)
Title IV: SSAE/Student Support & Academic Enrichment (PRC 108)	\$261,061.10 (includes Carryover)





Local Funds Allocation

Items	Allocation
Payroll-Related Expenditures (\$9.8M salaries, \$3.5M benefits)	\$13,282,259 (42%)
General Expenditures (Utilities, Charter Schools, Maintenance, Custodial, Transportation, Technology, etc)	\$18,483,203 (58%)
Total	\$31,765,462 (100%)

(Final amendment to local current expense funds TBD)





Local Funds Allocation Continued...

Items supported outside of salaries and benefits include:

Category	Allocation
Purchased Services & Contracts	\$7,884,964 (43%)
Supplies, Equipment & Materials	\$2,160,230 (12%)
Capitalized Purchases	\$0
Transfers to Charters	\$8,438,009 (45%)
Total	\$18,483,203 (100%)

(Final amendment to local current expense funds TBD)





Our Priorities

Strategic Plan Goal(s)	Priorities
<p>Academics Goal 1: FCS students will graduate prepared for college, career and life beyond the classroom</p> <p>Goal 2: FCS students will demonstrate proficiency in core academic areas</p>	<p>Expand early opportunities for our students Support quality instruction to address learning gaps through professional development, student assessment, data team work at the school and district levels, and effective integration of technology Provide differentiated support to low performing schools Target high school programming opportunities to students to increase graduation rate and preparation for college/career</p>
<p>Safe Schools Goal 3: FCS students will be provided with a safe, orderly and caring environment conducive to learning</p>	<p>Address short and long term facilities needs Support efforts to increase safety and security Address student needs that impact the learning process, including physical and mental health and adverse behaviors</p>
<p>High Quality Staff Goal 4: FCS will actively recruit, support and retain high quality professionals</p>	<p>Recruit staff in hard- to- fill areas Retain staff across all areas of operation</p>



Priority Area: Academics



Goal 1: FCS students will graduate prepared for college, career and life beyond the classroom

Goal 2: FCS students will demonstrate proficiency in core academic areas

- **Expand early opportunities for our students**
 - New Site/Classroom to open at YES in July 2022, providing every school with a Pre-K classroom
 - FCS Pre-K enrollment has increased 61% since year 1 of Blueprint
 - **Kindergarten Readiness:**
 - Partnerships with local preschools, Head Starts, and care centers.
 - Distribution of 550+ Kindergarten Readiness Kits annually (Jan/Feb).
 - **Expanding Early Childhood Support:**
 - Strengthening the Birth-Kindergarten continuum with events like Parent & Family Workshops, Circle Time Activities, and Pre-K enrollment support.
 - Resources include the Dolly Parton Imagination Library and updates via social media platforms.
- **Support quality instruction to address learning gaps**
 - Implementation of research-based, proven prescriptive reading program in grades K-5 and most recently in ELA for middle grades (HMH)
 - Implementation of Learning Focused at middle schools to promote best instructional practices for student success
 - Provide summer learning opportunities to students in grades K-12 (Summer camps, District C)
 - Continue implementation of check-in and diagnostic assessments (mClass, iReady, Exact Path) through school level and district level data teams to monitor and adjust instruction to respond to student needs
 - Teacher Toolbox for middle school math teachers
 - Expand tutoring options to schools
- **Target programming opportunities to students to increase graduation rate and preparation for college/career**
 - Implementation of Career Development Continuum for all students 5-12
 - Districtwide use of Xello to identify potential career pathways
 - Implementation of High School Graduation Support Plan at each high school
 - Implementation of magnet program at LMHS



Priority Area: Safe Schools



Goal 3: FCS students will be provided with a safe, orderly and caring environment conducive to learning

- **Address short and long term facilities needs-** (to be outlined in Capital Outlay Budget Presentation March 10)
- **Support efforts to increase safety and security-** (to be outlined in Capital Outlay Budget Presentation March 10)



Priority Area: High Quality Staff



Goal 4: FCS will actively recruit, support and retain high quality professionals

- Recruit staff in hard- to- fill areas
- Retain staff across all areas of operation

FCS Local Initiatives:

- 8% supplement, \$1000 signing/\$1000 retention bonus for certified staff
- EC teacher bonus (effective August 2020: additional \$3000 annually)
- Success FMS Recruitment/Retention Initiative (14% supplement and performance bonuses for tested subject areas)
- Strategic recruitment efforts through job fairs, use of engagement software and paid social media advertising
- Increased substitute daily rate of pay
- Premium pay and bonus for bus drivers (currently \$17.13 beginning hourly rate and \$1000 supplement)
- Local service recognitions
- “Stay” interviews
- Biannual staff climate surveys
- Longevity bonus for all employees (originally implemented with ESSER funds and maintained by County with local funds effective 2024-25)
- Implementation of TEACH program (“grow your own” initiative) Fall 2024 (6 student participants)





Local Funding Priority 1: Maintaining Current Expense Budget at 2024-25 Funding Level

In December 2020, the Franklin County Schools Board of Education approved a Local Longevity Retention Bonus, underpinned by ESSER (Covid Relief) funds, to recognize and encourage employee longevity within the Franklin County Schools. This incentive covers all permanent staff, including classified employees.

This bonus was administered for three years using ESSER funding, which expired at the end of the 2024 school year. **In Spring 2024, the Franklin County Board of Commissioners voted to fully fund our local current expense request for the 2024-25 school year, allowing us to maintain this important retention bonus beyond ESSER funding.**





FCS Longevity Bonus Plan

Every eligible staff member will receive a minimum of a \$500 retention bonus based on their commitment to work for FCS. Bonuses are paid annually and will increase based on the years worked in FCS and developed criteria.

Local Longevity Bonus for Years Worked in FCS	
0 years	\$500
1-5 years	\$2,000
6-10 years	\$2,500
11-15 years	\$3,000
16-20 years	\$3,500
21- 25	\$4,000
26 years and up	\$4,500





Recruitment and Retention Bonus- Impacted Staff (based on longevity with Franklin County Schools)

2022-2023 \$2,549,011

**2023-2024
\$2,593,904**

**Difference of \$44,893
more paid in
2023-2024**

2024-2025 \$2,492,367 (projection based on current payroll assignments ONLY)								
	Total 999	0-1 \$500	1-5 \$2000	6-10 \$2500	11-15 \$3000	16-20 \$3500	21-25 \$4000	26+ \$4500
Classified	236	29	73	51	22	22	24	15
Certified	618	80	223	138	60	64	35	18
Principals & AP's	41	4	15	12	5	1	2	2
Directors & Leadership	20	1	3	2	3	2	5	4
Child Nutrition	61	8	18	10	7	8	8	2
Bus & Child Care	23	2	4	5	6	1	5	0





Impact of Retention Bonus/Other Incentives for Teachers in FCS

Position	Years of Local Service	State Salary	Retention Bonus	Local 8% Supplement	FCS Longevity Bonus	Total Local Additional Salary	<u>Local</u> initiatives equate to a supplement of:
Bachelor Level Teacher	2 Years	\$42,500	\$1,000	\$3,400.00	\$2,000	\$6,400.00	15.06%
Bachelor Level Teacher	6 Years	\$45,720	\$1,000	\$3,657.60	\$2,500	\$7,157.60	15.66%
Bachelor Level Teacher	12 Years	\$51,160	\$1,000	\$4,092.80	\$3,000	\$8,092.80	15.82%
Bachelor Level Teacher	18 Years	\$53,880	\$1,000	\$4,310.40	\$3,500	\$8,810.40	16.35%





Implementation of this initiative was a significant investment from the County.

Franklin County Schools Current Expense Funding Increase Request	Franklin County Charters Funding Increase Request
\$2,500,000 Longevity Bonus for All Employees	Based on state requirement for per pupil allocation (PPA) to match local school system PPA
\$42,608 Instructional Materials and Software	
\$541,744 Increased Insurance and Utility Rates	
\$711,488 Salary and Benefit Rates Adjustments Based on Requirements	
-\$431,929 Departmental and Districtwide Spending Reduction Efforts	
Franklin County Schools \$3,363,911	Franklin County Charters \$1,849,709
↓	↓
Total Increase to Current Expense Request: \$5,213,620	

As part of our negotiation of this funding request, we told County leadership that we would work to bring minimal to no increase in our current expenses request for the 2025-26 school year.

We are working to honor that.





Priority 2: Adequately Address Short Term and Long Term Facilities Needs

Long Range Needs-Total \$98,190,880 over the next 10 years. Of that, \$45,000,000 represents the cost of a replacement school for Franklinton Elementary School (FES) and \$53,190,880 represents Long Range Facility needs across Franklin County Schools. We have submitted a needs-based grant application for a new FES facility for several years, and will continue to do so with future grant cycles.

Short Range Needs- Our approved capital outlay request to the Franklin County Board of Commissioners for the 2024-25 school year was approximately \$2.8 million.

School Visits- This year, the BOE and BOC have conducted joint school visits to look closely at each of our facilities and their needs. This has been a valuable step.

Joint Facilities Committee- The BOC has initiated development of a joint committee to examine future facilities needs and how those needs can best be met. We look forward to the first meeting of this important committee.

We will be bringing forward facilities needs for the consideration of the BOE at our March meeting, but it is our recommendation that addressing our facilities needs be the top priority for any additional funding from the County as we move into the 2025-26 school year.



Charter Schools: Noteworthy Facts



- Funding is requested on behalf of the charters to support the children that would normally be enrolled in the traditional public school setting.
- Funds received on behalf of charters are directly transferred to charters and does not benefit FCS in any way. Requires multiple layers of oversight to ensure accurate processing.
- LEAs serve as a funnel for the administration of charter school funding and invoicing. This has caused concerns for districts throughout the state, especially during the historical spike in charter school expansion.
- Requests are sent to charters mid February to submit their projected enrollment data for next year's budget projections





Status of Local Current Expenses (Final 2024-2025 Amendment Pending)

2024-2025 County Appropriation \$30,541,812

Charter Schools is the largest single impact to the local current expense budget (27%)

- ❖ 2024-25 County Appropriation supports ADM for both Franklin County Public Schools and Charters
 - 7,988 Franklin County Schools (7,855 + 133 PreK) (Allotted ADM was 7,864 but actual PMR 2 is 7,855)
 - 2,958 Charter Schools
 - **10,946 Total Combined including PreK**
 - PPA \$2,790.23 used for charter school invoicing

“2024-25 Enrollment projected from last year 3-11-24”

- 8,043 Franklin County Schools (-55)
- 3,071 Charter Schools (-113)
- PPA \$2,748 used for local tuition and projected charter school invoicing
- **11,114 Total Combined (-168 less than projected)**

Salaries and Operational Costs are the second largest impacts to the local current expense budget (73%)

- ❖ Property Insurance (\$219,591), Commercial Auto (\$54,262), General Liability (\$161,243), Worker’s Comp (\$291,000), Dental (\$320,000), Utilities (\$3.7M)
- ❖ Local Supplements for Certified (8% of Teacher Salary) Classified Salaries (TBD), Hospitalization (TBD), Retirement (24.04% TBD)
- ❖ Longevity Based Retention Bonus for Staff Dedicated to Employment with Franklin County Schools (\$2.5M)

Enrollment projections and any salary or utility rate increases TBD





Questions?