

# Budget Presentation

## Franklin County Schools

**March 14, 2022**

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

# Purpose of Budget Priorities Presentation

- Each spring, we develop budget priorities for current expenses and for capital outlay in budget preparation for the upcoming fiscal year.
- This presentation is focused primarily on the current expenses budget. The BOE will consider potential capital outlay priorities at the March 21st work session.
- The intent is to identify areas of focus for budget priorities for consideration in preparation for approval of our larger budget request by our Board of Education at the April meeting.
- Normally this allows us to consider potential budgetary impacts on our request to the County, especially as increases may be indicated.
- In light of COVID-19 relief funds received by the district through 2023-24, we are working to maximize use of these funds and minimize increases to our request from the County.



# 2021-2022 Budget at a Glance

State Funds	Federal Funds	Local Funds
<p><b>\$56,382,998</b></p>	<p><b>\$38,433,156</b></p> <p>Includes “pandemic relief funds” to be utilized through 2024</p>	<p><b>\$24,431,253</b></p> <p>Includes \$1.9M Capital Outlay Budget</p>

Per December 13, 2021 adopted Budget Resolution



# 2021-2022 Budget Resolution Totals By Fund Source



State Public School Fund	\$56,382,998
Local Current Expense Fund	\$22,500,100
Federal Grants Fund (includes Pandemic Funds through 2024)	\$38,433,156
Capital Outlay Fund	\$1,931,153
Child Nutrition Fund	\$5,228,300
Before and After Care Fund	\$240,070
Restricted Grants/Other Revenue	\$1,159,755
<b>Total budgeted for all funds (pending amendments)</b>	<b>\$125,875,532</b>



# 2021-2022 Pending Amendments



State Public School Fund	\$1,533,865	YTD allotment revisions (normal)
Local Current Expense Fund	\$TBD	Pending March retro state salary increase payments (Currently \$604,200 FB assigned)
Federal Grants Fund	\$606,441	Traditional installments and granted COVID funding (portions of use through <b>2024</b> )
Capital Outlay Fund	\$180,000	Long Range Facility Assessment Contract (Approved FB assigned \$611,153)
Child Nutrition Fund	\$TBD	Pending March retro state salary increase payments
Before and After Care Fund	\$0	
Restricted Grants/Other Revenue	\$0	
<b>Total Amendments (All Funds)</b>	<b>\$2,320,306**</b>	<b>Final Amount TBD**</b>



## COVID-19 Relief Funds (Restrictive Use of Funding)

**Summer Learning**

**School Health Support**

**Non Digital Resources & Digital Curricula**

**Personnel & Student Computers & Devices**

**Home & Community WiFi (Connectivity)**

**Premium Pay Options (Staffing for critical needs)**

**Exceptional Children Support**

**Cybersecurity**

**PPE, HVAC upgrades and sanitation requirements**

**Learning Management System**

**School Nutrition**

**Student Health Support**

**Total State and Federal Pandemic Relief Funding \$35,645,208**  
**Total funding received from March 2020 to be used through 2024**



# State Funds Allocation

- Approximately **93% (over \$53 million)** of State Funds are consumed by salaries & benefits. (object codes 100-200's)
- The remaining **7% ( over \$4 million)** is obligated for the following big ticket items such as products, services and equipment are **on the next slide**. (object codes 300-500's)



# State Funds Allocation Continues...

<b>Technology</b>	\$131,117 (3%)
<b>CTE</b>	\$218,063 (5%)
<b>SRO Grant</b>	\$399,996 (9.5%)
<b>Early College</b>	\$110,318 (3%)
<b>Transportation</b>	\$939,093 (22%)
<b>Classroom Supplies/Materials</b>	\$242,038 (6%)
<b>At Risk</b>	\$861,705 (20%)
<b>Textbooks</b>	\$254,821 (6%)
<b>VIF/International Faculty</b>	\$112,364 (3%)
<b>Remaining funds are Program specific, not available for discretionary use</b>	\$947,491 (22.5%)
<b>Total of General Expenditures (contracts, supplies, software, equipment, tires, fuel, etc.)</b>	\$4,217,006 (100%) of 7%



# Federal Funds Allocation



**Title I: \$2,466,360** (not including Carryover)

Set-Asides	Costs
Administrative (12% max.)	\$226,305.54
PD for Title I Schools	\$25,000.00
Parent involvement	\$121,086.75
Homeless	\$50,000.00
PreKindergarten	\$435,499.77
District-wide initiatives (8 - IC's, 1 - ITF, etc.)	\$1,116,295.71
Foster Care	\$20,000.00
Total Set -aside	\$2,189,988.22
Schools' Allocation	\$1,150,210.40
Per pupil Allocation	\$420 Actual (\$311.54 Minimum)



# Federal Funds Allocation Continues...

Title I: Carryover funds: **\$873,838.62**

Title 1 allotments are received in the form of installments. Two installments, 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
<b>Title II:</b> Preparing , Training and Recruitment of HQ Teachers and Principals (PRC 103)	\$412,982.08 (includes Carryover)
<b>Title III:</b> Language Instruction for Limited English Proficient and Immigrant Students (PRC 104)	\$120,521.02 (includes Carryover)
<b>Title IV:</b> SSAE/Student Support & Academic Enrichment (PRC 108)	\$277,844.46 (includes Carryover)



# Local Funds Allocation

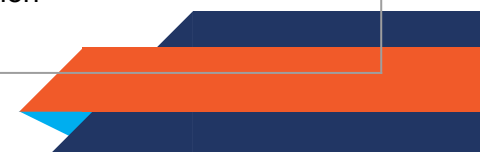
Items	Allocation
Payroll-Related Expenditures	\$10,718,648 (49%)
General Expenditures (Utilities, Charter Schools, Maintenance, Custodial, Transportation, Technology, Contingency, etc)	\$11,249,116 (51%)
<b>Total</b>	<b>\$21,967,764 (100%)</b>

(Based on current ytd budgeted expenses)



# Our Priorities

Strategic Plan Goal(s)	Priorities for 2022-23
<p><b>Academics</b></p> <p><b>Goal 1: FCS students will graduate prepared for college, career and life beyond the classroom</b></p> <p><b>Goal 2: FCS students will demonstrate proficiency in core academic areas</b></p>	<p>Expand early opportunities for our students</p> <p>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</p> <p>Target high school programming opportunities to students to increase graduation rate and preparation for college/career</p>
<p><b>Safe Schools</b></p> <p><b>Goal 3: FCS students will be provided with a safe, orderly and caring environment conducive to learning</b></p>	<p>Address short and long term facilities needs</p> <p>Support efforts to increase safety and security</p> <p>Address student needs that impact the learning process, including physical and mental health and adverse behaviors</p>
<p><b>High Quality Staff</b></p> <p><b>Goal 4: FCS will actively recruit, support and retain high quality professionals</b></p>	<p>Recruit staff in hard- to- fill areas</p> <p>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 will expand to 144 students in 2022-23
  - Development of a birth to kindergarten readiness continuum is currently underway
  - 2022-23 Pre-K application data will drive future/additional classroom planning for 2023-24
- **Support quality instruction to address learning gaps**
  - Provide summer learning opportunities to students in grades K-12
  - Continue implementation of check-in and diagnostic assessments (iReady) through school level and district level data teams to monitor and adjust instruction to respond to student needs
  - Continue to build on tutoring and additional supports for students
- **Target high school programming opportunities to students to increase graduation rate and preparation for college/career**
  - Offer Career Accelerator program to secondary students
  - Consistently implement comprehensive graduation plan for all high schools

**Blended Use of State, Federal, ESSER Funds**

**Potential Local Budget Increase: None**



# 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 21)
- **Support efforts to increase safety and security-** (to be outlined in Capital Outlay Budget Presentation March 21)
- **Address student needs that impact the learning process**
  - Continued increased nursing support (increased from 9 to 11)
  - Continued increased social worker support (from 4 to 6)
  - Continued increased ACES training and support
  - Trauma-informed practices teams at each school
  - Implementation of restorative practices at each school
  - Attendance committee work to address students who are not consistently engaged in school

Blended Use of Local, State, Federal, ESSER Funds

Potential Local Budget Increase: None



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

### FCS Local Initiatives:

- Implementation of salary study findings, providing **330** of our classified employees with salary increases and annual step increases (effective August 2019)
- 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)
- Introduction of summer internship program for teacher candidates
- Strategic recruitment efforts through job fairs, use of engagement software and paid social media advertising

### Since Fall 2021:

- Local recruitment and retention (longevity) bonuses for **all** employees through 2024
- Increased substitute daily rate of pay and bonus for working 11 or more days a pay period
- Premium pay and bonus for bus drivers (effective August 2021: \$15 minimum wage and \$1000 supplement)
- Assistant Principal Bonus (Spring 2022: \$1500)
- Additional duty pay for providing class coverage during planning periods
- Local service recognitions

State, Local and ESSER Funds

Potential Local Budget Increase: **None**





# Recruitment and Retention Bonus Plan

## RECRUITMENT AND RETENTION BONUSES/FINANCIAL INCENTIVES FOR STAFFING NEEDS

- The Franklin County Schools Board of Education approved in their December meeting a recruitment and retention bonus using ESSER funds that focused on employee longevity within Franklin County Schools.
- This plan impacts **all permanent employees** in the school system including classified employees.
- The bonus will be paid for this year plus the next two school years, until ESSER funds are no longer available. After that, the bonus will be evaluated and looked at for feasibility of continuation.
- Other retention efforts have included premium pay and bonuses for bus drivers, increased substitute teacher daily rate of pay, and additional duty pay for teachers that give up their planning times to assist with COVID created absences.



# 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

*Figures are based on current payroll assignments and consecutive service	<b>Total (1,003)</b>	0-1 yr \$500	1-5 yrs \$2,000	6-10 yrs \$2,500	11-15 yrs \$3,000	16-20 yrs \$3,500	21-25 yrs \$4,000	26+ yrs \$4,500
Classified & Teacher Assistants	<b>227</b>	26	78	48	20	18	25	12
Certified Classroom & Instructional Support	<b>625</b>	73	260	129	52	63	36	12
Principals	<b>16</b>	1	7	5	1	0	0	2
Assistant Principals	<b>23</b>	2	9	5	3	1	2	1
Directors/Supervisors (Chiefs included)	<b>18</b>	0	7	4	1	3	2	1
Child Nutrition	<b>54</b>	11	16	4	7	8	5	3
Bus Drivers	<b>40</b>	2	13	6	6	8	4	1
<b>Totals</b>		<b>115</b>	<b>390</b>	<b>201</b>	<b>90</b>	<b>101</b>	<b>74</b>	<b>32</b>



Here's a picture of how the local longevity bonus, along with other local FCS initiatives, translates into a percentage of total salary for **teachers** through 2024...

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	\$37,480	\$1,000	\$3000.00	\$2,000	\$6,000.00	<b>16%</b>
Bachelor Level Teacher	6 Years	\$41,530	\$1,000	\$3,322.40	\$2,500	\$6,822.40	<b>16.4%</b>
Bachelor Level Teacher	12 Years	\$47,610	\$1,000	\$3,808.80	\$3,000	\$7808.80	<b>16.4%</b>
Bachelor Level Teacher	18 Years	\$50,650	\$1,000	\$4,052	\$3,500	\$8,552	<b>16.8%</b>



# Recruitment and Retention- Principal Recommendation

Principals have been on the front lines of pandemic management. Strong school leadership is necessary in leading schools as learning gaps and social and emotional challenges resulting from pandemic impact are addressed. This need will extend well beyond this academic year. We must remain competitive to recruit and retain effective school principals.

**We are recommending consideration of an additional supplement as part of next year’s proposed budget. Here’s the preliminary proposal:**

Grade Span	Current (implemented 2017)	Proposed
Elementary	\$8,000 minimum (\$1,433.33 per 100 students rounding up.)	\$13,000 minimum (\$1,433.33 per 100 students rounding up.)
Middle School	\$8,750 minimum (\$1,583.33 per 100 students rounding up.)	\$13,750 minimum (\$1,583.33 per 100 students rounding up.)
High School	\$14,500 base (\$500 per 100 students rounding up.)	\$19,500 base (\$500 per 100 students rounding up.)
<b>Estimated Principal Salary Increases (excluding matching benefits)</b>		<b>\$76,800</b>



# Salary Study Implementation

In October 2021, the BOE approved completion of a limited salary study focused on “non-examined” positions from our 2017 salary study. As a reminder:

## **These positions have not been evaluated and addressed since 2004.**

- At that time, the district decided to postpone addressing some district level positions (ex. Coordinators, Directors, Chief positions).
- We need to remain competitive in all areas to recruit and retain the very best talent, and this is also true of our administrative positions.
- We contracted with Kerry Crutchfield, CPA/Consultant and former CFO, to conduct a review of unexamined positions, including job descriptions, comparables with other districts, etc. to develop a clearer picture of where we are as a district and where we need to be to remain competitive.
- This study reviewed **24** positions and the preliminary recommended adjustments are anticipated to total around **\$100,000** (plus benefits). Once these recommendations are finalized, they will be incorporated into the final proposed budget for consideration in April.



# High Quality Staff- Future Considerations

- In order to effectively meet student needs, we must have staff in place to support those needs. This includes these roles at the school level:
  - Providing instruction (teachers)
  - Supporting instruction (instructional assistants)
  - Enhancing learning through data analysis, coaching and support (instructional coaches, DLCs)
  - Feeding students (child nutrition)
  - Creating a clean, safe, inviting environment for students (office support, custodial, SROs)
  - Transporting students (bus drivers)
  - Meeting student physical and mental health needs (nurses, counselors, psychologists, social workers)
  - Leading this work in our buildings (principals, assistant principals)
- Staffing has posed a challenge for Franklin County Schools, as well as districts across the state. We have actively and strategically worked to address staffing challenges. We have been and will continue to examine key areas of need and be responsive to those needs as they arise, maximizing use of ESSER funding in support of those efforts.
- Our Board of Education has worked to address several areas over the past few years with this responsive approach, including implementation of the findings of the classified salary study, and most recently bus driver pay, substitute teacher pay, assistant principal bonuses, and a comprehensive multi-year retention bonus for **all** staff that rewards longevity with the district.



# 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...increasing administrative costs for districts. Inaccurate enrollment projections and/or funding directly impacts LEA's.
- 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.





# Impact of Charter Schools on our budget



YEAR	FCS ADM	CS ADM*	COMBINED ADM	COUNTY APPROPRIATION	PPA	PAYMENT TO CS
2016-2017	8344	1121	9465	\$15,265,283	\$1,613	\$1,808,173
2017-2018	8163	1224	9387	\$16,365,283	\$1,744	\$2,134,656
2018-2019	8109	1438	9547	\$16,898,093	\$1,770	\$2,545,332
2019-2020	8109	1581	9690	\$20,349,831	\$2,100	\$3,320,100
2020-2021	8109	1739	9848	\$21,192,936	\$2,152	\$3,742,328
2021-2022*	7842	1953	9795	\$21,221,872	\$2,167	<b>\$4,232,151</b>
2022-2023* (Depend on ADM projections & county appropriations)	7842-8210  (368+)	1953-2624  (671+) <small>600 of these to new Wake Preparatory Academy</small>	9,795-10,834  (1,039+)	\$22,671,872 TBD	\$2,167- \$2,315	<b>+\$1.45M</b> <b>(using highest ADM projections &amp; current PPA)</b>

These are “pass through” funds that the district receives and redistributes to charter schools

\*Projections for planning purposes



# Summary of Budget Priorities and Other Areas of Impact

Strategic Plan Goal(s)	Priorities for 2022-23	Impact to local budget request to county
<p><b>Academics</b>  <b>Goal 1: FCS students will graduate prepared for college, career and life beyond the classroom</b></p> <p><b>Goal 2: FCS students will demonstrate proficiency in core academic areas</b></p>	<ul style="list-style-type: none"> <li>• Expand early opportunities for our students</li> <li>• 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</li> <li>• Target high school programming opportunities to students to increase graduation rate and preparation for college/career</li> </ul>	<p>No projected increase</p>
<p><b>Safe Schools</b>  <b>Goal 3: FCS students will be provided with a safe, orderly and caring environment conducive to learning</b></p>	<ul style="list-style-type: none"> <li>• Address short and long term facilities needs</li> <li>• Support efforts to increase safety and security</li> <li>• Address student needs that impact the learning process, including physical and mental health and adverse behaviors</li> </ul>	<p>No projected increase</p>
<p><b>High Quality Staff</b>  <b>Goal 4: FCS will actively recruit, support and retain high quality professionals</b></p>	<ul style="list-style-type: none"> <li>• Recruit staff in hard- to- fill areas</li> <li>• Retain staff across all areas of operation</li> </ul>	<p>No projected increase</p>



## Summary of Current Expense Budget Priorities

- **\$21,221,872** (County Appropriation for **Local Current Expense** Current Funding Level)
- Currently **\$604,200** Fund Balance Assigned to support 2021-2022 needs. This was possible due to return to fund balance as a result of COVID-19 impact on school operations.
- Assigning Fund Balance may be required to supplement needs for the 2022-2023 budget year, but not at the same level of need for 2021-2022. We are in the process of reviewing individual budgets as we approach the spending deadline, which will give us a clearer picture of where we will be with this area of impact.
- Classified Salary Table \$TBD (pending increased benefits costs and implementation of a **\$15.00/hr min** pay projections)
- Current Appropriation Includes **\$4,328,612**/Charter School Transfer Funds
  - Additional Charter School Transfer Funds for 2022-2023 projection is +/- **\$1,450,000\***

The increase in our current expense request could be as much as **\$1.45 million** to support projected combined enrollment increases in both charters and Franklin County Schools. The charter-designated funds are pass-through directly to charter schools. We do not anticipate any significant decrease in enrollment in our schools- in fact we anticipate an *increase*. But there will also be an increase in charter school enrollment (@671 students- 600 of whom are attending the Wake Preparatory Academy) and these students account for the increase in ask from the county.

