

Budget Message 2022-23 School Year

In accordance with Article 31 Chapter 115 of the General Statutes of North Carolina entitled “The School Budget and Fiscal Control Act,” the budget of Franklin County Schools for the fiscal year 2022-23 is hereby submitted by the Franklin County Schools Board of Education and administrative staff.

The Franklin County Schools Board of Education appreciates the interest that the Franklin County Board of Commissioners has shown for the education of children in our county. A close working relationship between the two boards has the potential to yield great benefits for both the students and citizens of Franklin County.

Our Progress

The past year has been impacted by the continued effects of COVID-19 and the ongoing collective response to the COVID-19 pandemic has been unprecedented for our district and community. On February 21st, Franklin County Schools took an additional step towards a return to normalcy with a shift to a “masks optional” environment for our students. Our Board of Education voted unanimously to take this next step as COVID-19 cases have dropped dramatically in our community. As we work to ensure the safety and wellbeing of 7900+ students and 1000+ staff, spread of the virus has been a paramount concern. We have and will continue to make health and safety a top priority for our students and staff.

With that being said, our work is about much more than masking, social distancing, and all of the other challenges that COVID-19 has brought. The important work of educating the students of Franklin County continues each and every day. The past two years have been challenging for us all, and we have wanted nothing more than a shift to normalcy. Despite our best efforts, students have had a disrupted educational experience that has created gaps that we continue to work to fill. They have needs that extend beyond academics and our schools have worked to support those efforts as well.

Our school staff hasn't missed a beat during all of this, from the time that students first went home in March 2020. While many districts took a few weeks to prepare, our staff started instruction from home almost immediately. When summer rolled around and all of our neighboring systems had staff working from home, our employees reported on site beginning July 1 so that we could maximize the quality and opportunity of the virtual learning experience. We implemented a districtwide 1:1 technology initiative so that every student could have a device in hand, while other area districts were asking families to share devices. We provided over 900 hot spots so that our families without adequate internet access could have some level of internet access from home. While many districts elected to provide “asynchronous” (offline) instruction to students in a virtual environment, our students received a daily schedule that included live

instruction. We brought students back into the school environment as quickly as we could safely and feasibly do so, and we offered families the option of both face-to-face and virtual learning to accommodate their personal choice and preference.

This school year has proven to be both rewarding and challenging. Having all students back in the school setting, and shifting away from teaching face-to-face and virtually simultaneously has been a positive experience and a bit more of a return to normal. With that being said, continued management of the pandemic, including state-required contact tracing and student exclusion for exposures has placed a significant burden on our staff and families. A nationwide staffing shortage in both the private and public sectors has compounded this problem, as almost every position in public schools in North Carolina has become difficult to fill. Staff members have worked to cover classes for one another, doubled up on bus routes, etc. to keep our schools operational. They are to be commended for their dedication during this time. This challenge was exacerbated by the hard-hitting Omicron variant, and there were points during the peak month of January when our primary focus each day was keeping our schools open for business. We are very grateful to be emerging on the other side of this.

Despite the challenges, the important work of educating the students of Franklin County has continued. In fall of 2019, we convened a group of stakeholders from our community- business leaders, governmental officials, faith-based leaders, staff, and parents- to chart a course for the future of Franklin County Schools. This work led to development of FCS Blueprint 2025, a comprehensive strategic plan focused on four key areas:

- Goal 1: Preparing FCS Students for College, Career and Life Beyond the Classroom
- Goal 2: Achieving Student Success in Academic Areas
- Goal 3: Creating a Safe, Orderly and Caring Environment for Students
- Goal 4: Recruiting, Supporting and Retaining High Quality Staff

Looking Ahead

We have been grateful for the support of the Franklin County Board of Commissioners and Franklin County leadership as we have navigated the challenges faced over the past several years. As we look ahead, our priorities will continue to focus on the strategic plan goals identified in Blueprint 2025.

Priority Area 1: Academics

Strategic Plan Goal 1: Preparing FCS Students for College, Career and Life Beyond the Classroom and Goal 2: Achieving Student Success in Academic Areas

Laying a solid foundation for student academic success is of paramount importance. This includes early access to educational opportunities for our students, providing quality instruction to address learning gaps, and

implementing programs at the high school level to ensure that students are ready to take next steps based upon their interests.

Continued expansion of early learning opportunities is a priority for Franklin County Schools. In July 2022, we will be opening a new Pre-Kindergarten (Pre-K) classroom at Youngsville Elementary School. Once opened, we will have a Pre-K program at every elementary school site in the district. This will allow us to serve 144 students in our county, with plans to continue to expand based upon Pre-K application data. We are also developing a birth to kindergarten continuum, increasing our efforts to reach potential Franklin County Schools students early and often prior to their entry into school. This year, we distributed over 600 kindergarten readiness packets to families across the county.

The disruption caused by the COVID-19 pandemic has led to learning gaps that we continue to work to address. Last summer we served 1044 students in an intensive summer learning program, and we will offer summer learning opportunities again this year to students K-12. Throughout the school year, we are utilizing short term assessment data and diagnostic assessments to determine specific student needs and to respond accordingly through individual and small group support through tutoring and intervention.

At the high school level, providing students with a variety of opportunities based upon their interests is a priority. The online platform Xello was made available to all students in grades 5-12. This online platform allows students to take career interest surveys, create resumes and student portfolios, track progress toward graduation, and complete tasks that lead them to college and career opportunities. This summer we will be offering a Career Accelerator District C Teamship program for up to 96 students grades 9-12. Participating students will earn 30 internship credit hours.

We will continue to expand opportunities for success in coursework, including online offerings, Career and College Promise (CCP) opportunities through partnership with VGCC, and a menu of industry-relevant Career and Technical (CTE) course progressions leading to workforce credentials and certifications.

This work can take place through utilization of state, federal, and ESSER (COVID Relief) funds. No impact on local budget request.

Priority Area 2: Safe Schools

Strategic Plan Goal 2: Creating a Safe, Orderly and Caring Environment for Students

Students cannot learn if they are not in an environment that is safe and conducive to learning. We will continue to focus on creating safe, orderly, and caring schools through preventative and responsive safety measures, ongoing support for positive classroom environments through implementing strategies to enhance student well-being, and proactive management of facilities needs.

Safety and Security

We are fortunate to have a strong and long-standing partnership with the Franklin County Sheriff's Office and municipalities. This affords us the opportunity to work proactively and, when needed, to react swiftly. We have applied for and received grant funding, and have had the support of our local Board of Commissioners to place a School Resource Officer (SRO) at each of our traditional school sites. These officers are uniquely trained to work in a school environment, with a primary focus on being a visible and positive daily presence.

The Franklin County Board of Education and Board of Commissioners has demonstrated a joint commitment to support School Resource Officers (SROs) in each of our schools. We collaborate closely with our law enforcement partners to prepare for crisis management, conducting regular school drills as ongoing preparation for real world scenarios in areas such as lockdowns, inclement weather, bus safety, and fire safety. We also engage in "table top" exercises- practical opportunities to talk through and strategize over a variety of scenarios that may occur in the school setting.

In addition, we continue to purchase equipment to enhance school security. This year, we received a \$312,000 safety equipment grant that will allow for continued security camera upfit for our campuses. We are in the process of completing a lock and door upfit on our external entrances, and are increasing and upgrading outdoor lighting at all school campuses and facilities. Buses are also a safety priority, and we are installing cameras on all of our yellow buses. GPS tracking systems have been placed on our entire bus fleet.

Each year we utilize a portion of our local funding allocation to support these efforts. Safety and security measures are incorporated into our continued request for \$1.5 million in capital outlay funding.

Creating Supportive and Caring Classrooms

We have several important initiatives in place to support positive classroom environments. We implement Positive Behavior Interventions and Supports (PBIS) as a structure to provide students with clear behavioral expectations in the school environment, in turn rewarding positive and appropriate behaviors to reinforce these expectations. In addition, our elementary schools and one of our middle schools have implemented trauma-informed practices teams.

To best respond to inappropriate behaviors when they occur, we have developed and implemented discipline matrices to create more consistency in disciplinary consequences across all schools. We utilize the Educator's Handbook, a digital tool for tracking and analyzing student discipline data, to input incidents when they arise. These tools make it easier for us to have discussions at each level regarding high-incidence behaviors and to share strategies for response and management.

As a district, we also recognize that it is important that students learn from their mistakes, and implementation of restorative practices can be powerful in conjunction with standard disciplinary consequences. This can be as simple as having a student acknowledge their behavior and taking a positive action- for instance, apologizing for taking something that didn't belong to them or for saying something hurtful to someone else.

Students have the opportunity to share information with us in the event that they have safety concerns, either for themselves or for others. We have implemented a "Say Something" anonymous reporting app for threats of violence or of student self-harm that is available for our secondary schools, with an internal FCS anonymous tip line for our elementary schools. These tools coordinate district leadership, law enforcement, and emergency management staff to provide our students with 24 hour access to assistance.

We have also begun efforts with a district equity team. This work is focused on better understanding individual student needs and eliminating barriers to success for our students so that we are providing each and every student in our care with the opportunity to be successful in college, career, and life. For example, we have identified that many of our families do not have adequate access to the internet at their homes. During remote learning, we were able to provide over 900 internet hot spots to families in need. Food insecurity is also a challenge in our community, and we have been fortunate to be able to provide students with over 2,200,000 meals free of charge since the pandemic began in March 2020. In addition, our community partners such as Novozymes have helped to outfit individual schools' Backpack Buddies and food closet programs, giving families an opportunity to access food for weekends when school breakfasts and lunches aren't available.

We have utilized ESSER funding to support the hiring of additional social worker support, allowing us to move from 4 to 6 positions to meet needs across our schools. In addition, we are contracting with mental health providers to provide support to our students as well. We have also worked to place more nurses in our schools, increasing from 9 to 11 positions. This allows us to better address student well-being and to eliminate barriers to student success.

This work can take place through utilization of state, federal, and ESSER (COVID Relief) funds. No impact on local budget request.

Addressing Short and Long-Term Facilities Needs

We have appreciated a collaborative partnership with the Franklin County Board of Commissioners as we work to address facilities needs and plan for the future. In the last 5 year facility needs assessment (presented to the Board of Commissioners last year for approval), the district identified \$40 million in capital improvement needs for the next 10 years. This figure does not include potential

replacement of the FES facility or non-school facility needs (central office, maintenance, transportation, etc.).

In order to ensure that we have an accurate and comprehensive picture of our school facilities needs as well as projections on future growth so that we can plan strategically and proactively, the district has taken steps to gather information to inform this work. In December 2021, the Franklin County Schools Board of Education approved Davis-Kane Architects PA/Kilian Engineering to complete a comprehensive assessment to address this need. In addition, the district has contracted with NC State OrEd to review projections based on new development and population growth in our area. These two sources of information will allow us to accurately prioritize and plan in working with the county on short and long-range district needs.

We have also worked with Davis-Kane Architects/Killian Engineering to complete a feasibility study to examine options for renovation/replacement of Franklinton Elementary School (FES) on our existing school site. Our goal is to ensure a modern, safe environment for students that is conducive to learning. We have applied for a competitive “needs-based capital funds” grant through NCDPI, requesting \$30 million towards a new facility for FES. This would require a 5% (\$1.5 million) in-kind contribution from Franklin County, which the Franklin County Board of Commissioners unanimously agreed to support. We are awaiting notification of the status of the grant.

In consideration of 2022-23 capital outlay funding, we are asking for a continuation of the \$1.5 million request. This will allow us to complete essential roof work, carpet replacements, and miscellaneous repairs across the district in addition to recurring annual projects of camera upgrades, energy projects, etc.

We have identified over \$14 million in HVAC needs across the district as a part of our most recent capital improvement plan submitted to NCDPI last year. As we have received ESSER funding, and a portion of this funding can be utilized to address air quality issues, we have designated \$5 million over the next few years to tackle HVAC projects without tapping into local funding.

During the 2021-22 school year, we have been able to complete almost all of the projects identified in the current year’s capital outlay plan. The only exceptions are the Cedar Creek Middle School soccer field, which is underway and will be completed by the end of this fiscal year, and the Terrell Lane Middle School parking lot, which is being deferred. The Terrell Lane Middle School parking lot project was initially a resurfacing project with a budget of \$185,000, but through consultation with engineers, architects and geotech professionals we have determined that this will actually require demolition and complete replacement, at a cost of \$750,000-\$1,000,000.

In addition, we have identified a significant need for Franklinton Middle School. This historic facility is 99 years old, and repair work has been completed over the years on the roof, walls and windows in the courtyard/ auditorium area. The leaks

continue both inside and outside of the walls, and we need to fully renovate the area to avoid further damage, moisture issues, air quality issues and other potential complications. Preliminary estimates for scaffolding, abatement, repairs and window replacement are projected at approximately \$605,000.

Although these two large-scale projects are not incorporated into the \$1.5 million recurring capital outlay budget request, we are seeking assistance from the county to address these two issues.

Priority Area 3: High Quality Staff

Strategic Plan Goal 4: Recruiting and Retaining High-Quality Staff

The past several years have posed challenges that have impacted all aspects of our lives. One area that has felt the strain of the pandemic is that of staffing. This has been true in both the private and public sectors, as businesses, government entities, health care, etc. have been impacted with staffing shortages. Recruitment and retention of staff is critical to our success as a district. For our students' sake, we need to make sure that we have the right people in the right positions across all areas.

Teacher Recruitment

We attend in state and out of state education job fairs, sharing the positive story of our district and our commitment to a nurturing and close-knit school community to bring in new recruits. Each Spring we conduct an "in house" job fair, providing potential candidates with a personal opportunity to connect with school administrators and other school staff to learn more about our efforts. We utilize social media as a tool to support those efforts as well, and we focus heavily on marketing and branding our district as a great place to work.

We have also been successful in recruiting and retaining locally, having placed all student teachers from last spring as permanent Franklin County Schools employees for this school year. Our "instructional assistant to teacher" program has also been a success, with several of our first program graduates already in the classroom. We are also initiating a program for teacher candidates that will allow future education graduates to intern with Franklin County Schools during the summer. Not only will this benefit the teacher candidate with work experience, it will allow the candidate to develop a relationship with FCS that will hopefully grow into a lasting role with our district.

Increases in Classified Employee Salaries

The issue of pay for classified employees in Franklin County Schools went unaddressed for a number of years, dating back to 2004 when the last salary study had been enacted. The intent was to tackle this along the way, but the recession in 2008 postponed these efforts. This meant that an entire category of employees, including instructional assistants, cafeteria workers, administrative

support, maintenance, transportation, and other non-certified staff had gone for years without salary adjustments, and their salary schedule was stagnant. At the request of the Franklin County Schools Board of Education, this was addressed through a comprehensive classified salary study that was completed in 2018, providing salary schedules that were competitive with comparable districts for similar roles.

Recommendations for implementation of the new salary schedule were unanimously approved by the Franklin County Schools Board of Education and were incorporated in the budget request for the 2019-20 school year. The Franklin County Board of Commissioners approved the local budget which included the additional funding necessary to enact the salary study findings. As a result, 429 of our employees received raises and were placed on a salary schedule with annual step increases. This new salary schedule is in its third year of implementation.

Longevity Bonuses for All Employees

In December 2021, the Franklin County Schools Board of Education unanimously approved implementation of longevity bonuses for all eligible permanent employees. This retention bonus is in place for the 2021-22, 2022-23, and 2023-24 school years utilizing COVID relief funding, and we are hopeful that we will be able to maintain this financial incentive long term.

The impact of this retention bonus is significant in that it rewards all employees for their loyalty and commitment to Franklin County Schools. For those who are new to the district, they will receive \$500 in year one. Those who have been with the district 1-5 years will receive a \$2000 bonus annually, with incremental increases of \$500 in 5 year bands. Employees 26+ years, for instance, will receive a \$4500 annual bonus.

This is significant as both a recruitment and retention tool. I have personally been approached by a number of employees who have informed me that they are remaining in education in our district because of this financial incentive, in some cases postponing consideration of retirement.

In terms of recruitment and retention of teachers, this financial incentive makes us very competitive with other districts. For example, for a teacher in year two, this incentive along with other local incentives equates to the following:

Position	Years of Local Service	State Salary	Retention Bonus	Local 8% Supplement	FCS Longevity Bonus	Total Local Additional Salary	Local initiatives equate to a supplement of:
Bachelor Level Teacher	2 Years	\$37,480	\$1,000	\$3000.00	\$2,000	\$6,000.00	16%

Addressing the Bus Driver Shortage

We recognized the bus driver shortage as an area of concern, and in preparation

for the 2021-22 school year we implemented a staggered start time for students so that we could better utilize our existing pool of drivers to cover multiple routes daily. The Franklin County Schools Board of Education approved a premium pay plan that increased driver pay to a \$15.00 hourly minimum, and we provided drivers with a \$1000 annual bonus for driving a full time route. In addition, our bus drivers serve in dual roles that allow for them to be employed full time and receive full benefits. Although bus routes continue to be a challenge for us, we have been able to maintain daily bus service while several neighboring districts have had days when they have had to notify families that bus service would not be provided for a period of time. We continue to work to address this area, and have recently added a transportation director position to exclusively focus on driver recruitment and retention, supporting schools when shortages arise, and exploring creative solutions to enhance bus operations.

Other Key Initiatives

In addition to those already described, we continue to target staffing challenges in a number of other areas. This year we have increased substitute teacher pay and implemented bonus pay for those serving more than half of each pay period. We have addressed specific teacher shortage areas such as in the Exceptional Children's (EC) staffing, paying a \$3000 bonus for those who teach in this area.

We need to remain competitive in all areas and to ensure that we are able to recruit and retain in the areas of district and school leadership. In October 2021, the BOE approved completion of a limited salary study focused on "non-examined" positions from our 2017 salary study. This includes 24 positions at the district level, with roles such as coordinators, directors, and chiefs. These positions have not been reexamined since 2004. An examination of job descriptions, comparables, etc. has led to a recommendation for adjustment of these positions at a cost of approximately \$100,000 plus associated benefits costs.

The success of our schools is reliant upon strong school level leadership. Our administrators have done a great job of navigating the uncharted waters of the pandemic. We are recommending a \$5,000 increase to principal salary bands, helping us to be more competitive at recruiting and retaining top notch leaders for our schools. This increase will come at a cost of approximately \$77,000 plus associated benefits costs.

We also recognize that non-financial incentives are important in our efforts to recruit and retain staff. This winter we began implementation of an employee service recognition program where we honor employees with service pins during our monthly Board of Education meetings. We continually explore ways to thank and recognize our amazing employees for their commitment to the work of educating our students.

Impacts to Local Current Expense Request

Recurring Impacts to Local Current Expense Budget and/or Fund Balance

Salaries:	Inflation:	Charter Schools:
<ul style="list-style-type: none"> ▶ Rising Benefit Cost <ul style="list-style-type: none"> ▶ 24.19 Retirement ▶ \$7,397/EE Medical ▶ Minimum \$15/hr ▶ 2.5% rate increase 	<ul style="list-style-type: none"> ▶ Increased cost for doing business across all areas of operations ▶ Increased cost of fuel for student transportation needs 	<ul style="list-style-type: none"> ▶ Delayed or inaccurate projections for enrollment ahead of budget planning cycle ▶ Delayed or inaccurate rosters/invoices from the companies that manage the business and finances for charter(s) ▶ Difficulty with planning for unforeseen growth or transgressions from plans per the applications to DPI ▶ Limited requirements regarding information shared with LEA's

Increased Cost of Doing Business

We have seen an increase in operational costs as a result of inflation in all aspects of operations, including food, fuel, contracted services, and materials. We are also experiencing rising benefits costs, that are now at over 24% retirement and \$7,397 per employee for medical coverage. The \$15.00 state required minimum wage will be enacted beginning this fall, and costs for local positions to meet this minimum will have to be covered at the county level without supplanting. Overall salaries also increased by 2.5% for 2021-22 and projections to increase by another 2.5% for 2022-23 which are recurring costs to be shared by the district. We are working to offset these costs utilizing fund balance.

Request Funding for Direct Transfers to Charter Schools for 2022-23

Charter schools continue to impact our funding. Although overall potential student numbers have grown in the county with increases in the population, FCS enrollment has stabilized while charter school enrollment has continued to rise. This means that as our payout to charter schools has increased, we still have the same needs for funding as a district. This year's impact is compounded by the opening of Wake Preparatory Academy in Franklin County.

The Per Pupil Allotment (PPA) is the total amount of revenues divided by the number of students enrolled or "Average Daily Membership" (ADM). The PPA for 2021-2022 resulted in a decrease in funding for Franklin County Schools in the amount of \$410,417 and an increase in funding for Charter Schools in the amount of \$439,353. The net PPA calculation resulted in an increase of \$28,936 to further support the local fund transfer to support the increased enrollment of students that exist in charter schools.

Using the same PPA formula as required for 2022-2023, the share of revenues for students that exist within Franklin County Schools will be \$361,889 whereas the share of revenues for students that exist within Charter Schools will be \$1,276,363. The total Local Current Expense budget request to the county will increase by \$1,638,252 as a direct result of student enrollment increases for both Franklin County Schools and Charter Schools.

For the 2022-23 school year, we anticipate that “pass-through” funding levels for charter from our local budget will increase by **\$1,276,363+** for a total “pass-through” of **\$5,508,514** of local funds going directly to charter schools. This must come directly from local funds.

2-Year Comparison				
	2021-2022	2021-22 Notes: (presented April 2021)	2022-2023	2022-23 Notes:
Request to County (Local Current Expense Funds)	\$21,221,872		\$22,860,124	
Franklin County Schools	\$16,989,721	\$410,417 ↓ Decreased enrollment led to decreased PPA request for FCS	\$17,351,610	\$361,889 ↑ Increased enrollment projections led to increased PPA request for FCS
Transfers to Charters	\$4,232,151	\$439,353 ↑ Increased enrollment led to increased PPA request for charters	\$5,508,514	\$1,276,363 ↑ Increased enrollment projections led to increased PPA request for charters
Enrollment for charters exceeded enrollment increase for FCS resulting in a higher share of funding (4.2%+). *Subject to change as actual ADM details are available for the 2022-23 school year	*19.9% of funding	Total across both areas of support increased by \$28,936	*24.10% of funding	Total across both areas of support increased by \$1,638,252 for 2022-2023
Request to County (Capital Outlay Funds)	\$1,500,000		\$1,500,000	Funding neutral for capital outlay

2022-2023 Charter School Budget Review

The projections for 2021-22 shared in April 2021 are in close alignment with what actually occurred thus far April 2022.

For the 2022-2023 April projections, we will honor the suggestion by the County to reduce the FCS increase projections by the 213 "duplicative" enrollments based on an initial response from Wake Prep that they will increase by 600 students "from FCS" (they have since adjusted this figure to 711). This has been a moving target, but at this time we project that FCS' ADM will actually be closer to 8,200-8,300.

YEAR	FCS ADM	CS ADM	COMBINED ADM	COUNTY APPROPRIATION	PPA	PAYMENT TO CS
2022-2023 (FCS current projections)	8200-8300	2624	10,824	\$23,455,608	\$2,167	\$5,686,208
2021-2022 ("Actual" data used)	7842	1953	9795	\$21,221,872	\$2,167	\$4,232,151
2022-2023 (REDUCED projections)	8010	2542	10,552	\$22,860,124	\$2,167	\$5,508,514
	168+	588+	756+	\$1,633,760+	\$2,166.43	\$1,276,363+

Overall Budget Request to County

Summary of Budget

\$22,860,124 (County Appropriation- Local Current Expense Budget)

\$1,500,000 (County Appropriation- Capital Outlay Budget)

Total Budget Request: **\$24,360,124**

<p>\$17,351,610 (local) \$1,500,000 (capital) Franklin County Schools District</p>	<p>\$5,508,514 Projection details from previous slide Charter Schools (within and outside of district)</p>
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Conclusion

We appreciate the support from our community and we look forward to continued positive progress and outcomes for the students of Franklin County Schools. Thanks for making Franklin County a great place to work and learn!