

**Wake County Public School System
Potential Risks
November 21, 2017**

Description	MOE	Potential Dollar Impact to Local
Americans with Disabilities Act (ADA) Website Compliance		
Based on a preliminary investigation by the United States Office for Civil Rights (OCR), the district will need to modify its website to comply with ADA requirements. The Wake County Public School System (WCPSS) is developing a plan of action.		TBD
Bus Driver Salaries		
WCPSS reduced the base budget for Transportation in 2017-18 by \$3.0 million due to lapsed salaries and benefits from difficulty in hiring drivers. Effective July 1, 2017, the state provided funding to increase the pay scale for bus drivers. If WCPSS is able to successfully recruit and hire bus drivers into positions that currently have no funding underneath them, the district will need to identify funding for that cost. WCPSS will not receive the full allotment for Transportation for 2017-18 from the North Carolina Department of Public Instruction (NCDPI) until December. Therefore, the potential dollar impact of this item is to be determined.		TBD
Charter Schools		
In accordance with General Statute 115C-238.29H, WCPSS must distribute a portion of local current expense revenues to charter schools. The amount of the distribution fluctuates monthly based on student membership of WCPSS students, Wake County students attending charter schools, and total local current expense revenues. WCPSS monitors the projected status throughout the year. The current estimate in November is a \$100 k savings.		\$ (100,000)
City of Raleigh Parks and Recreation Fees		
Raleigh Parks and Recreation is charging an hourly rate for field use which has in the past been provided at no cost. Schools with facilities that do not meet the WCPSS Site Educational Specifications now must pay for facility use. Specifically, several schools that do not have softball facilities as well as schools that do not have a full practice field on site will now pay for field use for all practices and home softball games during the season. In addition, it is increasingly more common for teams to practice outside of the season to work on individual skill development. Schools will either forego off season practices or pay the rental fee in order to work with the student athletes.		
This decision may impact equity for female student athletes as it relates to Title IX. We already have a significant differences in our baseball and softball facilities at many schools. Schools having to pay fees for access to off campus softball fields may limit the number of practices, games, and off season workouts.		
The minimum potential cost is \$15,000 for athletic field use. Broughton- Pullen Softball and Lower Fletcher Field- Approximately \$6,000 Millbrook High- Millbrook Exchange Softball Field- Approximately \$4,000 East Millbrook Middle- Spring Forest Road Softball Field- Approximately \$2,500 Carroll Middle- North Hills Park Softball Field- Approximately \$2,500		
The potential cost does not include costs to prepare the fields for games since athletic directors may not have access to equipment at the park to prepare the fields, the use of the greenways for possible cross country meets, or anything outside the scope of interscholastic athletics such as field days, P.E. use, or other possible school groups using park facilities.		\$ 15,000
Class size Legal Requirement for Compliance		
Effective July 1, 2018, the average class size for kindergarten through third grade shall at no time exceed the following funded allotment ratio of teachers to students: kindergarten, one teacher per 18 students; first grade, one teacher per 16 students; second and third grades, one teacher per 17 students. The estimated cost for this requirement is \$24,586,461, which does not include additional classroom space the district may require.	4,312.00	\$ 24,586,461

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Duke Energy Progress Rate Increase		
Duke Energy Progress filed a request with the NC Utilities Commission to increase the rate for all customer classes. The average rate increase for commercial and industrial customers would be 17 percent effective January 2018. The potential risk for the last six months of 2017-18 is \$1.5 million; the impact on the base budget in planning for a full year would be \$3.0 million.		\$ 3,000,000
Federal Resources		
There is a potential risk of federal reductions in funding for public education if the federal government redirects resources to alternatives. The repeal and replacement of the Affordable Care Act may eliminate the reimbursement for Medicaid billable services to schools. There is a potential loss of E-Rate reimbursement. Given the President's proposed budget, there are potential reductions in Title II and other federal grants. All of these items would directly impact federal resources in the school system's budget.		TBD
Held Harmless Provision for Principals		
NCDPI implemented a new pay structure for principals effective July 1, 2017. The General Assembly funded a held harmless provision in 2017-18 only for salaries that would decrease under the new structure. The estimated cost of funding if the state does not continue the held harmless provision for principal salaries in 2018-19 is \$326,577.		\$ 326,577
Lapsed Salaries		
The budget includes 5,800 months of employment, or approximately 580 positions or \$19.5 million, to be paid by lapsed salaries. This equates to 2.8 percent of all months. The typical vacancy rate has been 4.2 percent. There is less opportunity to fund positions through lapsed salaries now that schools participating in the Restart Model retain their lapsed salaries and benefits for other uses at the school.	5,800.00	\$ 19,500,000
Textbook Restrictions		
The state proposed two restrictions for textbook dollars beginning in 2018-19 for printing and professional development which will significantly impact WCPSS by preventing the use of textbook dollars to invest in the development of teachers and other school leaders on new curriculum as well as printing materials which is necessary for students who do not have internet access beyond the school day. WCPSS has requested NCDPI allow printing and professional development. The request is under review. If the request is not approved, the district will need funds to cover the staff development costs.		TBD
Wake Early College of Health and Science (WECHS) Relocation		
Wake Tech is requesting to move WECHS to the North Wake Tech campus. Additional costs will include the physical move, upfitting the new spaces with classrooms/offices, and transportation costs. WECHS has fostered their relationship with WakeMed to include job shadowing and volunteering opportunities for students. For this to continue, WECHS will have to incur an annual cost to transport students back and forth to the Perry Health Sciences Campus. WCPSS will analyze the impact on transportation for arrival/dismissal of students for such a move. This change could impact students choosing or remaining at WECHS if the travel time and bus stop availability become a hindrance which could potentially create a decline in applications for the school.		TBD