



WAKE COUNTY
PUBLIC SCHOOL SYSTEM

Superintendent's Proposed 2015-16 Operating Budget

April 7, 2015

Superintendent's Proposed 2015-16 Operating Budget

Superintendent's Message



Superintendent's Office
Dr. James G. Merrill, Superintendent

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April 7, 2015

Wake County Board of Education:

This is my second opportunity as your superintendent to present a proposed budget. It is also the second time I will propose some of the very same ideas. This is not due to a lack of progress on our part. We have worked together to accomplish much in my first full year, including the approval of a new strategic plan. Our community spent thousands of hours shaping that document. I believe I owe it to them, and to our students, to propose a budget that supports their vision.

The fiscal landscape has changed little this past year. We still operate with fewer dollars per student than we did in 2008. State funding continues to lag and our teachers are still paid far below their value. This does not reflect the world-class school system our community has defined. This budget proposal begins to catalog those needs.

As we consider what it will take to realize our vision, we should also celebrate our accomplishments:

- More than 90 percent of our teachers met or exceeded academic growth standards set by the state in 2013-2014;
- SAT results increased five points over the previous year, surpassing the state average by 94 points and the national average by 80 points;
- The graduation rate of 82.9 percent reached its highest level ever;
- The increase in graduation rates for minority students exceeded that of the district, including a gain of 5.1 percentage points for African Americans.
- The percentage of students considered college-ready on the ACT exam exceeded state and national averages;
- The school district continues to lead the nation in teachers who are Nationally Board Certified;
- 99 percent of our teachers met the federal definition of highly qualified;
- The class of 2014 earned more than \$101 million in scholarships;
- 24 magnet schools were named among the best in the nation, including the top school in the country at A.B. Combs Elementary.

But the economic recovery that followed the Great Recession in much of the private sector is barely reflected in the current funding levels of the Wake County Public School System. Our core mission in the classroom has been affected with larger classes and fewer supplies. Outside the classroom, low wages have affected a wide range of positions from bus drivers to clerical workers.

Per Pupil Changes In Funding						
	Enrollment	State	County Appropriation	Other local	Federal	Total
2014-2015	155,184	\$5,266	\$2,085	\$673	\$832	\$8,856
2008-2009	137,706	\$5,475	\$2,178	\$617	\$822	\$9,092
% Change	+12.7%	-3.8%	-4.2%	+9.1%	+1%	-2.6%

This data reveal the local funding comparison between 2008-2009 and 2014-2015. Local county appropriation dropped 4.2 percent from \$2,178 per pupil in 2008-2009 to \$2,085 in 2014-2015. This decline in local dollars occurred at the same time we experienced enrollment growth of 12.7 percent, adding 17,478 students.

Our needs are now significant if the Wake County Public School System intends to regain its role as an undisputed leader in North Carolina and the nation. My immediate request is for a local appropriation increase of \$48,348,830 for the 2015-2016 school year. While I recognize the county faces many competing needs, I make this request without apology. It represents the backlog created by seven years of growth and a decrease in per pupil funding.

WEBSITE: WWW.WCPSS.NET

A cursory review will reveal almost half of this request would be spent on teacher salaries and those who support the classroom. I want to be clear on this point. I see this as only part of a multi-year goal. We must begin to take these steps if we intend to retain the high-quality classroom teachers we have and recruit the ones we need.

But our salary challenges are no longer confined to the classroom. When our bus drivers are asked to spend 32% percent of their gross pay to cover family health insurance premiums, should we be surprised when they look for work elsewhere?

Beyond competitive salaries, this budget proposal also addresses needs in other key areas identified by the school board and the community. They include:

- Spending \$2.1 million to keep up with the costs of growth of new teachers and assistants required to meet special education compliance requirements;
- Investing in professional development throughout the school system;
- An innovative school redesign at Knightdale High School spurred by community demands for improved academics;
- Support for an Elementary Support Model intended to accelerate learning in 12 schools identified through an intense data-driven review;
- Increased use of Instructional Technology Facilitators to support staff efforts to better integrate technology into daily classroom lessons;
- Continued magnet school expansion emphasizing global studies and language immersion programs;
- Expansion of Pre-K programs for low-income children;
- The first year of phasing in additional extra-duty pay to academic and athletic coaches, many of whom are still using a pay scale approved in 1987.

In my first proposed budget message one year ago, I also provided longer-term, five-year targets that I include here in closing.

- By 2020, the Wake County Public School System will have the highest local investment for students in North Carolina. Based on local funding of some of the current highest large district public school budgets in North Carolina, that may approximate an additional \$400 per child; and
- By 2020, the Wake County Public School System will pay its teachers at the national average of teacher salaries. The current Wake County average teacher salary is \$49,597 while the latest national average teacher salary is more than \$56,000. This goal calls for an additional \$80 million. (Note that an increase in local per pupil funding would be addressing this goal at the same time.)

Through public forums and elections, I believe the citizens of Wake County have made their desire clear when it comes to providing the necessary resources to sustain an excellent school system. In doing so, they have also defined a requirement of attractive communities. We look forward to playing our role.

Sincerely,

Dr. James G. Merrill
 Superintendent

Superintendent's Proposed 2015-16 Operating Budget

- Background on development
- Overview of Proposed 2015-16 Budget
- Risk Factors
- Orientation to Budget document
- Board's Proposed Budget development timeline

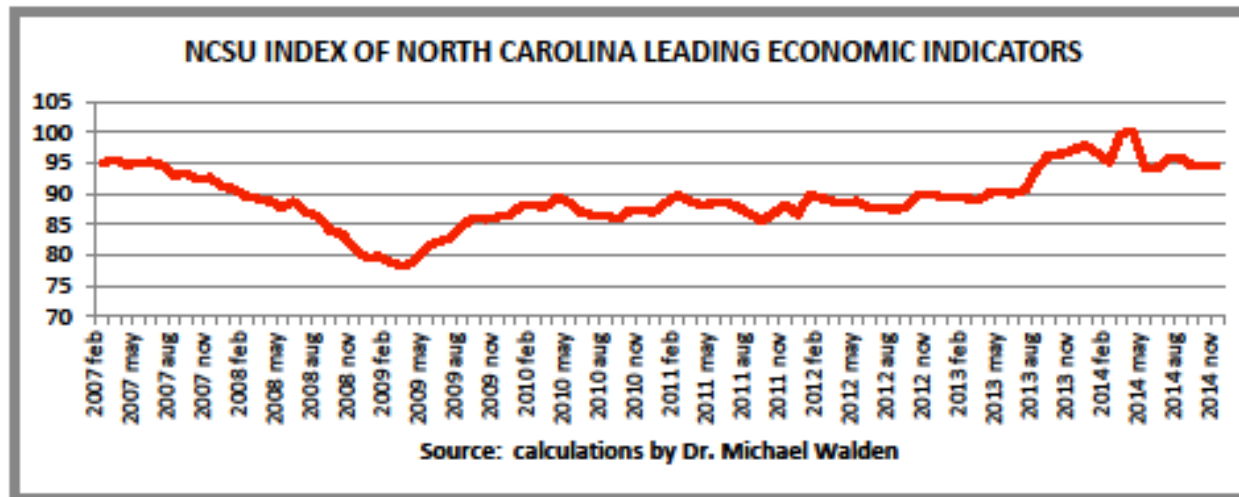
Superintendent's Proposed 2015-16 Operating Budget

- Over 1 million Wake County residents
- Student growth follows → Approx. 3,000 additional students 2015-16
- More students → increased expenditures
- Inflationary costs continue

Superintendent's Proposed 2015-16 Operating Budget

State Economy is growing

- Index of NC's Leading Economic Indictors continues to indicate pre-great recession levels & support continuing growth for NC into 2015*



*Dr. Michael Walden, NCSU

Superintendent's Proposed 2015-16 Operating Budget

State Economy is growing

NC General Assembly Fiscal Research Division outlook positive:

Economic Outlook

- The economy has settled into a steady growth pattern. Most economists expect growth to remain near average, or slightly below, throughout 2015. The pace of the recovery has not created a robust job market; however, employment conditions have improved noticeably since this time last year.
 - A survey of 50 economists by the Wall Street Journal expects national economic growth will remain steady this year. Growth is projected between 2.8 and 2.9 percent. The survey also suggested most economists think inflation will be in check and the national unemployment rate will drop to 5.3 percent by year's end.
- Given that the national economy in 2015 is positioned for stable, sustained growth, the risks of small economic shocks curtailing the pace of growth have been greatly reduced.
- The steady, moderate economic growth that re-emerged last summer is expected to continue throughout the fiscal year. In 2015, most economic forecasts anticipate a continuation of this growth path with the economy operating at near average growth.
- Employment growth has steadily improved over the last six months.

Superintendent's Proposed 2015-16 Operating Budget

State Economy is growing *and* first six months show.....

- Sales Tax Revenues \$78 m over target & 6.2% over last year*
- Corporate Income Tax \$57 m over target*

State Economy is growing *but* first six months show.....

- Personal Income Tax Revenue \$247 m below target*
- Franchise Tax Revenue is \$54 m below target*

So half-way through the fiscal year

- *State General Fund Revenues \$199.2 m below target**

Superintendent's Proposed 2015-16 Operating Budget

State Economy is growing & General Fund Revenues below target

- Will April 2015 tax collections close the gap?
- What will 2015-16 state revenue projections look like?
- Will 2015-16 bring additional state funding reductions to public education?

2015-16 Operating Budget Drivers

Agency Instructions for 2015-16 from Office of State Budget & Management

The total "change budget" must result in a net 2 percent reduction to General Fund. In other words, if the State Board of Education requests 2 percent (roughly \$160 million) in new funding, it will need to identify areas to reduce by 4 percent (roughly \$320 million).

The total expansion request will be capped at 2 percent unless we have received prior approval by OSBM.

Adjustments formally included in the Continuation Budget will now be considered Expansion items; however, the Budget instructions do require that we outline these adjustments separately and these adjustments will not be a part of the Expansion 2 percent cap. These changes will not be a part of the net 2 percent reduction either.

Instructions for Preparation
of the 2015-17
Recommended State Budget



Office of State Budget and Management
116 West Jones Street - Administration Building
20520 Mail Service Center
Raleigh, North Carolina 27699-0320
(919) 807-4700

osbm.nc.gov

August 2014

Superintendent's Proposed 2015-16 Operating Budget

State Funding

- Legislature will develop biennial budget (2015-17)
- Assumes no further state funding reductions
- Assumes state allotment formulas remain constant
- Assumes beginning teachers → \$35 k & no other legislated increases

Superintendent's Proposed 2015-16 Operating Budget

Federal Funding

- Assumes current federal funding continues for:
 - Title I
 - Title II
 - IDEA Title VIB
 - Early Intervening Services

Superintendent's Proposed 2015-16 Operating Budget

Strategic Plan Town Hall Priority Areas include

- Recruiting, developing & retaining high quality employees,
- Providing an appropriate rigorous education at all academic levels,
- Offering students wide ranging curriculum, and
- More

Board Member Priority Areas include

- Funding for high needs schools (Elementary Support Model),
- Professional Development,
- Expansion of Pre-K Services
- Innovative designs within existing schools, and
- More

Superintendent's Proposed 2015-16 Operating Budget

Budget Focus*

Growth & Program Continuity (staying in place)

- ≈ 3,000 more students & 3 additional schools
- Medicaid/Counselors, CTE conversion/Teachers, Professional Development
- \$12.9 m local funding required for growth & program continuity alone

Recruit & Retain high quality employees

- Assumes state will legislate beginning teacher changes \$33 k → \$35 k
- First of five year phase in to bring teachers to national salary average
- Recurring salary increase for non-certified staff
- First of five year phase in to revise entire extra duty salary schedule
- \$27.3 m local funding required

Academics, Innovative School Design, High Needs Schools,

- Funding to address first 12 high needs elementary schools
- Instructional Technology Facilitators phase in
- Knightdale HS redesign
- Magnet Program expansion & theme alignment
- \$2.3 m local funding required, and \$5.4 m total funding required

*Local funding required for items on this page represents 88% of the county appropriation increase included in the proposed budget

Superintendent's Proposed 2015-16 Operating Budget

Investment in focus areas

- \$367 k - Magnet program expansion & theme alignment (p. 132, 133)
- \$670 k - Knightdale HS Innovative redesign (p.135)
- \$3.7 m – Elementary Support Model for 12 schools* (p. 136)
- \$2.3 m - Expansion of Pre-K services (p.91)
- \$600 k - Instructional Technology Facilitators (p. 131)

* Includes \$3.1 m of Title 1 funding

Superintendent's Proposed 2015-16 Operating Budget

Investment in focus areas

- \$3.5 m to cover local portion of beginning teachers → \$35 k
- \$16 m for 1st year of 5 year phase in to bring teachers to national average (\$56 k)
- \$ 6 m to provide a 3% recurring salary increase to non-certified staff

Fiscal Year	Salary Change
2009-10	0
2010-11	0
2011-12	0
2012-13	1.20%
2013-14	0
2014-15	\$500 *
2015-16	???

- \$1.8 m for 1st year of 5 year phase in of changes to extra duty schedule

* Non-Certified staff received a one-time \$1,250 bonus in 2014-15

Superintendent's Proposed 2015-16 Operating Budget

Cost increases

- ≈ 3,000 additional students
- Operating costs associated with three new schools opening
 - Abbotts Creek ES
 - Scotts Ridge ES
 - Apex Friendship HS

Superintendent's Proposed 2015-16 Operating Budget

Fund Balance Appropriation

- \$20 m appropriation of Unassigned Fund Balance
- Represents 1.4% of Operating Budget
- Board Policy 8101 Requirements
- Fund Balance Sources – Non-recurring

Superintendent's Proposed 2015-16 Operating Budget

County Appropriation (CA)

- Requested increase of \$48.3 m
- Requested increase per student represents \$146 over 2008-09 level
- Inflation 2008-present (approx. 11%) of CA represents \$239 per student
- Majority of requested CA increase → Compensation changes
→ Growth & Program Continuity
 - \$16 m for 1st of 5 year phase in / teachers to national average
 - \$6 m for 3% locally funded increase for all non-certified staff
 - \$1.8 m for 1st year of 5 year phase in of changes to extra duty schedule
 - \$12.9 m for growth & program continuity

Superintendent's Proposed 2015-16 Operating Budget

Potential Risks

- 3,540 months of employment w no funding underneath
- Utility base budget reductions for 2014-15
 - Weather & usage? / Rate increases?
- Required to provide Drivers Ed training w no funding?
 - NC DOT funding from state restored?
 - Allowed to charge full cost of \approx \$250 instead of \$65
- State Teaching Assistant funding that is non-recurring?
- Senate Bill 744 – growth no longer funded in state continuation budget
 - Will the state fund statewide student growth?
 - Will other state reductions be required to fund the growth?
- Employer contributions increases for Retirement & Health Insurance?

Superintendent's Proposed 2015-16 Operating Budget

Budget Document

- Budget document now posted at www.wcpss.net
- PDF available to view or download
- All budget documents posted on-line:
 - Superintendent's Proposed Budget
 - Board's Proposed Budget
 - Board's Adopted Budget

Superintendent's Proposed 2015-16 Operating Budget

Budget Document Orientation - Pages 3 → 6

Budget at a Glance

There are two major components of the Total Budget: Operating Budget and Capital Improvements Budget.

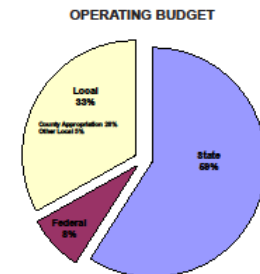
The **Operating Budget** pays for the day-to-day costs of operating the school system, such as salaries and benefits, purchased services, supplies, maintenance, transportation, and utilities. This is the current expense portion of the operating budget. The capital outlay portion of the operating budget includes vehicle and equipment replacement, leases, and relocation of mobile units. The primary sources of funding for the operating budget are state, federal, and county tax dollars, as well as, grants, fees, fines and forfeitures, and interest income.

The **Capital Improvements Budget**, or the building program, pays for design and construction of new schools, expansion of existing schools, and major renovation and replacement of older facilities to meet educational standards. The issuance of bonds, where voters authorize the state or county to borrow money, pays these costs. County revenues pay the bonds over a number of years.

TOTAL BUDGET FOR 2015-16		
DAILY OPERATIONS	\$ 1,397,838,237	75%
+ Capital Outlay (mobile units, furniture, and vehicles)	\$ 1,552,327	0%
EQUALS OPERATING BUDGET	\$ 1,399,388,564	75%
+ Building Program (provided by taxpayer bonds)	\$ 476,600,000	25%
EQUALS TOTAL BUDGET	\$ 1,875,988,564	100%



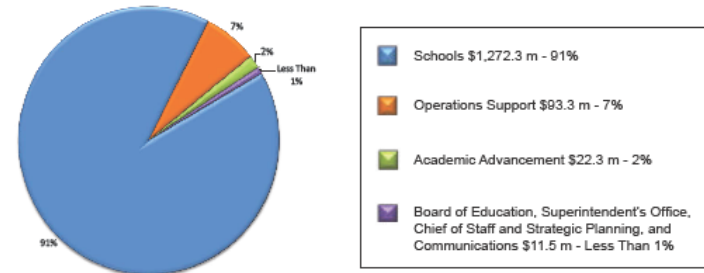
OPERATING BUDGET FOR 2015-16			
	Operating Budget	Per Pupil Budget	
State	\$ 827,042,982	59%	\$ 5,229
County Appropriation	\$ 389,773,230	28%	\$ 2,324
Enterprise Funds	\$ 39,018,089	3%	\$ 247
Fund Balance Appropriation	\$ 20,000,000	1%	\$ 128
Other Local	\$ 9,243,180	1%	\$ 58
Local - Current Expense Non-restricted	\$ 4,716,913	0%	\$ 28
Local	\$ 462,751,412	33%	\$ 2,783
Federal	\$ 109,594,170	8%	\$ 693
TOTAL	\$ 1,399,388,564	100%	\$ 8,705



Budget at a Glance

Where do funds come from?	Where are funds spent?
State Sources 59% \$827.0 m	The state budget pays for:
State Public School Fund	Salaries and Benefits \$785.1 m
• Position Allotments \$536.4 m	Purchased Services \$21.5 m
• Categorical Allotments \$191.2 m	Supplies and Materials \$16.7 m
• Dollar Allotments \$89.0 m	Textbooks \$3.6 m
• Unallotted Categories (State covers actual expenditures but does not allot a specific dollar amount for the following categories: longevity, annual leave, disability, and educational leave) \$10.3 m	Capital Outlay \$0.1 m
Child Nutrition - Breakfast Reimbursement \$0.1 m	
Local Sources 33% \$462.8 m	The local budget pays for:
Noncategorical (Most flexible sources)	Salaries and Benefits \$326.8 m
• County Appropriation \$389.8 m	Purchased Services \$61.2 m
• Fund Balance Appropriation \$20.0 m	Supplies and Materials \$34.2 m
• Indirect Cost (charged to enterprise and grant activities for building use, utilities, maintenance, etc.) \$3.5 m	Utilities \$30.0 m
• Fines and Forfeitures \$2.8 m	Transfer to Charter Schools \$19.0 m
• E-Rate \$2.3 m	Capital Outlay (mobile units, vehicles, and equipment) \$1.6 m
• Tuition and Parking Fees \$1.1 m	Local salary supplement for all teachers & school-based administrators is included in salaries and benefits.
• Investment Fund Interest \$0.6 m	
• Disposition of Fixed Assets \$0.2 m	
• Cellular Lease \$0.2 m	
• Rebates \$0.1 m	
Unused funds roll to fund balance. County appropriation is received 1/12 each month.	
Enterprise Funds (supported by outside fees)	
• Child Nutrition \$19.7 m	
• Tuition Programs (Before/After School; Summer Camp; Preschool) \$10.8 m	
• Community Schools \$8.6 m	
Local Grants/Local Contracts/Donations \$3.1 m	
Federal Sources 8% \$109.6 m	The federal budget pays for:
Federal Grants routed through NCDPI \$68.9 m	Salaries and Benefits \$63.9 m
Commodities (turkey, beef, cheese) \$32.7 m	Supplies and Materials \$27.2 m
Direct Federal Grants \$5.6 m	Purchased Services \$17.6 m
Medicaid \$4.0 m	Capital Outlay \$0.9 m
ROTC \$0.4 m	

The vast majority of the school system's funding, over 91 percent, goes directly to the schools. Operations Support, which includes Finance, Human Resources, Technology, Child Nutrition Services, Transportation, Maintenance and Operations, and Utilities, makes up 7 percent. The remaining 2 percent is made up by Academic Advancement, which includes Academics, Special Education, and Student Services, and the other central services divisions.



Superintendent's Proposed 2015-16 Operating Budget

Budget Document Orientation - Pages 3 → 6

Budget at a Glance

OPERATING BUDGET

The total operating budget is \$1.4 billion. It is a large budget, but when put into context that the system has over 10,000 teachers, teaching over 158,000 students in 171 different schools, it is not.

Public education is a human-resource-intensive business with 84 percent of the Wake County Public School System's (WCPSS) total operating budget invested in its people; 9 percent is spent on purchased and contracted services, 6 percent on supplies and materials, and 1 percent on transfers to charter schools.

Operating Budget		
Salaries and Benefits	\$ 1,175,814,603	84%
Purchased Services	120,304,932	9%
Supplies and Materials	81,694,679	6%
Capital Outlay	2,636,497	0%
Transfers to Charter Schools	18,937,763	1%
Total	\$ 1,399,388,564	100%

STATE FUNDING

The North Carolina General Assembly approves a budget during the summer of each year. The North Carolina Department of Public Instruction (NCDPI) distributes the budget to school districts using formulas based on the number of schools, student membership, wealth, and size of the district.

The proposed budget assumes WCPSS will receive additional state resources due to student growth and new schools opening. Senate Bill 744, Section 6.4(b) legislated in the state's final 2014-15 budget, repeals the previous definition of Continuation Budget and replaced it with a new definition. Student growth will no longer be included in the state's Continuation Budget. School districts will not know if they will receive an increase in funding for student growth until the state budget is adopted. Other changes that occurred in 2014-15 affecting the proposed budget include funding for teaching assistants becoming non-recurring and Driver Education funding being eliminated.

State Budget 59% of the Operating Budget		
Salaries and Benefits	\$ 785,070,574	85%
Purchased Services	21,500,494	3%
Supplies and Materials	20,326,555	2%
Capital Outlay	145,349	0%
Total	\$ 827,042,982	100%

State sources pay for 59 percent of the operating budget. The majority of state funding is spent on salaries and benefits. WCPSS receives funds from NCDPI for several different programs within four types of allotments:

- Position Allotments**, which includes Classroom Teachers, School Building Administration, Instructional Support Personnel, and Career and Technical Education Months of Employment, are for specific purposes and are not limited to a specific dollar amount. This means the school system receives a budget of months with no dollar limit; therefore, the most expensive employees are assigned to state months.
- Dollar Allotments** can be used to hire staff or purchase goods for a specific purpose, but school systems must operate within the allotted dollar amount. Teaching Assistants and Central Office Administration are Dollar Allotments.
- Categorical Allotments** are used to purchase all services necessary to address the needs of a specific population or service. School systems must operate within the allotted funds. Examples of Categorical Allotments are At-Risk Student Services and Children with Special Needs.
- Unallotted Categories** include Non-Contributory Employee Benefits. NCDPI covers actual expenditures for longevity, annual leave, disability, and educational leave rather than allotting a specific dollar amount.

Budget managers transfer resources between allotment categories in accordance with General Statute 115C-105.25. NCDPI approves these funds on a year-by-year basis. Transfers for 2015-16 will occur after July 1, 2015. At the time this document was prepared, there were conversions in 2014-15 between the following categories:

Transfers To	
Dollars for Certified Personnel	\$ 5,963,391
Classroom Materials, Supplies, Equipment	2,989,476
CTE - Program Support	727,780
Non-Instructional Support Personnel	272,069
Total:	\$ 9,952,716

Transfers From	
Teaching Assistants	\$ 4,453,000
CTE - Months of Employment	2,181,510
Textbooks	2,779,595
Disadvantaged Students Supplemental Funding	290,573
Instructional Support Personnel - Certified	247,878
Total:	\$ 9,952,716

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Budget at a Glance

LOCAL FUNDING

Local sources support 33 percent of the overall operating budget. The primary local source of funds is county appropriation. Others include grants, donations, fines and forfeitures, interest earned, sales revenue, tuition and parking fees, and fund balance appropriation.

Local Revenue	
County Appropriation	\$ 389,773,230
Tuition and Fees	20,512,663
Child Nutrition Sales Revenue	19,665,426
Local Sources - Unrestricted	5,925,406
Local Sources - Restricted	6,874,687
Special Revenue Services	20,000,000
Total	\$ 462,751,412

Local Budget 33% of the Operating Budget		
Salaries and Benefits	\$ 326,822,788	71%
Purchased Services	81,168,593	18%
Supplies and Materials	34,211,120	7%
Capital Outlay	1,611,148	0%
Transfers to Charter Schools	18,937,763	4%
Total	\$ 462,751,412	100%

The Wake County Board of Commissioners ultimately determines the amount of county appropriation for the school system. The superintendent recommends a county appropriation of \$389.8 million for 2015-16, which is an increase of \$48.3 million.

	2014-15	Proposed 2015-16	Difference	Percent Increase
County Appropriation				
Current Expense	\$ 339,271,187	\$ 387,647,848	\$ 48,376,661	
Capital Outlay	\$ 1,287,747	\$ 1,247,327	\$ (40,420)	
Crossroads Lease	\$ 867,466	\$ 878,055	\$ 10,589	
	\$ 341,426,400	\$ 389,773,230	\$ 48,346,830	14%
Student Membership				
WCPSS	155,184	158,175	2,991	2%
Charter Schools	8,594	9,548	952	11%
	163,778	167,721	3,943	2%
Allocation Per Student	\$ 2,085	\$ 2,324	\$ 239	11%

FEDERAL FUNDING

Federal sources support 8 percent of the school system's operating budget. The proposed budget assumes there will be no further funding reductions from sequestration. Federal funding is primarily comprised of restricted and unrestricted grants. Some grants from the federal government are routed through the North Carolina Department of Public Instruction and some are received directly. Restricted grants are to be used for specific purposes, while unrestricted grants can be used for multiple purposes. The proposed budget includes budget projections based on grant awards from 2014-15, including an estimate of carryover amounts. Federal grants typically have different fiscal years than those of the school district; therefore, carryover funds will occur.

Federal Revenue	
Restricted Grants (Received through NCDPI)	\$ 66,890,501
Restricted Grants (Received Directly)	9,599,568
USDA Grants	32,654,101
ROTC	450,000
Total	\$ 109,594,170

Federal Budget 8% of the Operating Budget		
Salaries and Benefits	\$ 63,921,331	58%
Purchased Services	17,635,845	16%
Supplies and Materials	27,156,994	25%
Capital Outlay	880,000	1%
Total	\$ 109,594,170	100%

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Superintendent's Proposed 2015-16 Operating Budget

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Budget Development

BOARD OF EDUCATION'S FOCUS AREAS FOR THE 2015-16 OPERATING BUDGET

In January, the superintendent requested each board member provide input into focus areas for the development of the 2015-16 budget. At the January 20th board of education work session, the superintendent provided a summary of the focus areas submitted by each board member, and there was time for discussion. Each board member submitted their top three areas of concern from the full list. Using this data, the board members worked through several hypothetical exercises with the focus areas at their retreat on February 14. The focus areas identified by the board are:

Academics

- Expansion of Pre-K programs for low-income children.
- Funding to investigate, plan, and implement innovative designs within existing schools, new types of magnets, and possibly Wake County Public School System charters (Knightdale and East Wake High are examples).
- Begin progress for second language instruction of all students starting in the elementary grades such that by high school graduation every student is conversant in a second language.
- Consider new strategies to prepare Limited English Proficiency (LEP) children for success (e.g., centralized immersion school, English as a Second Language (ESL) professional development for regular classroom teachers resulting in dual certification etc.).

Differentiated Resourcing

- Small class sizes for every school with more than 50 percent of low-income students.
- Funding for high-needs schools (Elementary Support Model):
 - This would include additional salary for principals at high-needs schools similar to the additional salary received by principals at magnet schools;
 - Staff a "full complement" of support persons – nurse, social worker, psychologist, etc.;
 - Assure funding to sustain staffing levels for three years; and
 - Funds to support staff and lead brainstorming with other county agencies and social service organizations to devise a holistic support system for families of children in the Elementary Support Model schools.

Professional Development

- Target additional funds for professional development.

Student Services

- Personnel and programming for real Alternative Learning Centers (ALCs) in middle and high schools (minimum of a science/math and humanities/language teacher specialist and one behavioral specialist teacher for each ALC, that is further supported by appropriate social work and counselor services at the school).

Technology/Supplies

- An aggressive approach to hardware refresh – particularly at schools that haven't benefited from generous PTA groups to help with individual school refresh initiatives.

Transportation

- Provide enough customer service personnel to answer the phones at Transportation and reduce parent inquiries/complaints to a single call per event. Include an outbound tech to advise riders of severely delayed routes or missing drivers.
- Install cameras on buses serving routes with history of discipline issues/referrals.
- Transportation necessary for foster children who change placement during the year to maintain a stable school assignment.

Reinstate Reductions from Prior Years

- Reinstate teaching assistants to 10 months.
- Restore months of employment for assistant principals.

Superintendent's Proposed 2015-16 Operating Budget

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Budget Development

POTENTIAL RISKS

There are some areas of uncertainty that exist regarding the 2015-16 budget that could impact costs. The largest is the potential impact of any legislated decisions by the General Assembly during the 2015 session. Once the state approves a budget for 2015-16, the superintendent and staff will provide the impact on resources. The areas of uncertainty are:

Affordable Care Act

Effective January 2015, the Affordable Care Act requires large employers (those with over 50 employees) to offer health care insurance to employees that work beyond 30 hours per week on average. The measurement period for continuing employees is a 12-month 'look back' average of time worked and the measurement period for new hires considered full-time is on a monthly basis. Approximately 20 to 30 employees will be 'newly eligible' for health care insurance as of January 2015 and will be offered the new High Deductible Health Plan with benefits equivalent to the 'Bronze Plan' on the Federal Healthcare Marketplace. The State Health Plan cost allocation for employers is currently set at \$117.62 per month per employee electing coverage. The current budget is \$21,250. Costs could be as high as \$42,500.

Changes to the State's Continuation Budget

Senate Bill 744, Section 6.4(b) legislated in the state's final 2014-15 budget, repeals the previous definition of Continuation Budget and replaced it with a new definition. Student growth will no longer be included in the state's Continuation Budget. School districts will not know if they will receive an increase in funding for student growth until the state budget is adopted. The Wake County Public School System (WCPSS) allots resources to schools in the spring for the coming year, and recruits to fill teaching positions during the same time period. If the state does not fund student growth, other sources of revenue will need to be identified to support staffing levels, or staffing levels will need to be adjusted.

Charter Schools

In accordance with General Statute 115C-238.20H, local current expense revenues are distributed to charter schools based on the number of charter school students. There was a 25 percent increase in charter school students in 2014-15. The amount of increase in 2015-16 will depend on student membership of WCPSS students, Wake County students attending charter schools, and total local current expense revenues. The proposed budget includes an increase of \$1.3 million for 2015-16. The actual increase could become as high as \$4.8 million.

Driver Education

The North Carolina Department of Public Instruction has eliminated funding for the Driver Education program. There could be potential costs if the district is required to offer the program. Legislation currently requires school districts to provide the program.

Incentive Bonus for Difficult to Fill Positions

The 2014-15 budget includes a non-recurring \$898,000 for an incentive bonus for difficult to fill positions. There may be a recurring need for the bonuses in 2015-16.

Lapsed Salaries

The budget includes 3,540 Months of Employment (MOE), or approximately 354 positions or \$13.6 million, to be paid by lapsed salaries. This equates to 1.7 percent of all months. The typical vacancy rate has been 3.4 percent.

Retirement and Hospitalization Rates

The General Assembly may approve changes to employer matching retirement and hospitalization rates. Any changes in rates will impact budget costs.

Teaching Assistants

The 2014-15 state budget for teaching assistants included \$24.8 million in non-recurring funds that may not be in the continuation budget for 2015-16. WCPSS's portion of this is approximately \$2.7 million. If the state does not continue this funding, then the impact is 892.8 MOE or \$2.7 million.

Unemployment Reserve

Beginning with the new law changes effective June 30, 2013, WCPSS was required to build and maintain an account balance reserve of 1 percent of annual taxable wages. The reserve was established in 2013-14. There will be an annual reconciliation process that could require additional budget dependent on turnover rates, head count, and taxable wage base.

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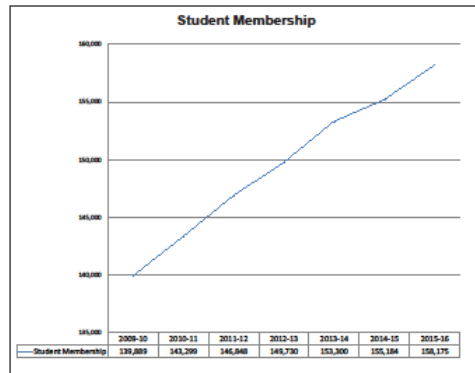
Membership Data

Wake County Public School System is the largest school district in North Carolina and the 15th largest school district in the country. The projected number of students for 2015-16 is 158,175; including 74,556 elementary school students, 36,186 middle school students, and 47,433 high school students. School system and county staff, along with ITRE/ORED, review data and develop projections for student membership based on multiple factors.

K-12 Student Membership (2 nd month average daily membership)						
Grade Level	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Projected
K - 5	69,323	70,808	71,454	72,883	72,742	74,556
6 - 8	32,733	33,820	34,739	35,713	36,319	36,186
9 - 12	41,243	42,220	43,537	44,704	46,123	47,433
Total	143,299	146,848	149,730	153,300	155,184	158,175

School Year	Special Education Students (PreK-12)	Limited English Proficient Students (PreK-12)
	Based on December 1	Based on October 1
2010-11	18,810	11,883
2011-12*	19,585	11,578
2012-13	19,947	11,547
2013-14	20,287	12,094
2014-15	20,656	12,549

*2011-12 is the first year LEP has included PreK students in their October 1 count.



2015-16	
Student Membership Projection By Grade	
K	12,310
1	12,662
2	12,473
3	12,535
4	12,377
5	12,199
6	11,711
7	12,343
8	12,132
9	13,980
10	12,435
11	10,982
12	10,076
Total	158,175

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Per Pupil Comparison

Wake County Public School System (WCPSS) ranks 107 and 108 out of 115 districts in state and federal funding despite being the largest district in North Carolina. Larger districts receive less state and federal funding and must fill the gap with county appropriations.

**Largest Five North Carolina Districts
Per Pupil Expenditure (PPE) Ranking (excluding Child Nutrition) 2013-14**

School System	Average Daily Membership	Rank out of 115 Districts	State PPE		Federal PPE		Local PPE		Total PPE	
			PPE	Rank	PPE	Rank	PPE	Rank	PPE	Rank
WCPSS	153,219	1	\$ 5,027	107	\$ 450	108	\$ 2,097	29	\$ 7,574	99
Charlotte-Mecklenburg	127,206	2	\$ 4,901	112	\$ 586	83	\$ 2,122	26	\$ 7,609	97
Guilford	71,897	3	\$ 5,211	100	\$ 704	57	\$ 2,805	13	\$ 8,719	45
Forsyth	53,316	4	\$ 5,242	95	\$ 711	53	\$ 2,273	21	\$ 8,225	65
Cumberland	51,351	5	\$ 5,040	106	\$ 807	40	\$ 1,698	64	\$ 7,545	102
State Average			\$ 5,385		\$ 643		\$ 1,969		\$ 7,997	
WCPSS Compared to the State Average			\$ (358)		\$ (193)		\$ 128		\$ (423)	

Sources: NCDPI website: <http://www.ncpublicschools.org/finance/accounting/data/> and Public Schools of North Carolina website: <http://apps.schools.nc.gov/pls/apex/f?p=1:1:0>

Per pupil spending as of 2010-11 is the most recent data available for national comparisons. The national average for per pupil spending in 2010-11 was \$12,752. The average per pupil spending in North Carolina that same year was \$8,875. WCPSS spent \$8,208 per student; 8 percent less than the state average, and 36 percent less than the national average.

Comparison of Per Pupil Spending with National Districts as of 2010-11

School System	City	2010-11 Enrollment	Per Pupil Spending
Montgomery County	Rockville, MD	144,023	\$ 18,858
Philadelphia	Philadelphia, PA	166,233	\$ 17,426
Prince George's	Upper Marlboro, MD	126,671	\$ 15,079
Fairfax	Fairfax, VA	174,479	\$ 13,593
San Diego	San Diego, CA	131,785	\$ 11,186
Dallas	Dallas, TX	157,162	\$ 11,052
Memphis	Memphis, TN	111,834	\$ 10,466
Gwinnett County	Lawrenceville, GA	160,744	\$ 10,346
Charlotte-Mecklenburg	Charlotte, NC	135,954	\$ 10,141
Duval County	Jacksonville, FL	123,997	\$ 9,762
Wake County	Cary, NC	144,173	\$ 8,208

Source: New America Foundation website: <http://fepb.newamerica.net/>

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Deferred Needs

The Deferred Needs list indicates business cases that were considered, but were not included in the Superintendent's Proposed Budget. If additional resources should become available, the superintendent recommends using those resources towards these requests. The superintendent and staff will analyze the impact of all state, local, and federal funding later in the summer once the General Assembly approves a budget, the federal government finalizes grant awards, and the county commissioners approve funding for 2015-16. Staff will continue to monitor actual costs and collections compared to budgeted amounts on an ongoing basis to identify savings that could occur during the year that could be applied towards these items.

	Total MOE	Local Sources
ADDITIONAL COUNTY APPROPRIATION NEEDED TO SUPPORT THE SUPERINTENDENT'S PROPOSED BUDGET		\$ 48,346,830
GROWTH		
Elementary Academics Teachers	239.00	\$ 1,190,578
Maintenance and Operations	192.00	1,052,204
Safety Assistants	75.00	236,356
PROGRAM CONTINUITY		
Instructional Support Technician - Software Support	12.00	\$ 88,910
NEW PROGRAM		
Adjusting Teachers' Salary to the National Average (Years 2-5)	-	\$ 64,000,000
Technology Refresh Operating Dollars for Classrooms	-	8,000,000
Salary Adjustments Due to Market Comparability Study	-	7,500,000
Revise Extra Duty Schedule - (Years 2-5)	-	6,637,015
Instructional Technology Facilitators	500.00	2,599,516
Assistant Principal Formula for Middle Schools	165.00	1,288,704
Refinishing and Resealing of Hardwood Floors	-	308,892
Electronic Cumulative Student Record Application	-	127,500
Data Governance Audit	-	90,000
REPLACEMENTS		
Annual Replacement of Support Vehicles	-	\$ 612,000
Activity Buses	-	540,000
Diesel Exhaust Fluid Tanks for Fuel Trucks	-	84,000
Plumbing Jet Truck	-	75,000
Forklift Replacement	-	30,000
Grounds Maintenance - Equipment Replacement	-	12,500
TOTAL DEFERRED NEEDS	1,183.00	\$ 94,469,175
COUNTY APPROPRIATION INCREASE NEEDED IF DEFERRED NEEDS WERE ADDED TO THE BUDGET REQUEST		\$ 142,816,005

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Summary of Business Cases

Case Name	Case Page	State Sources	Local Sources	Federal Sources	Total
GROWTH					
SCHOOLS					
Charter Schools	83	\$ -	\$ 1,300,000	\$ -	\$ 1,300,000
Classroom Teachers	84	7,835,810	1,183,190	-	9,019,000
Classroom Teaching Assistants	85	199,249	381,721	-	580,970
Instructional Supplies	86	59,486	172,520	-	232,006
New Schools and Calendar Changes	87	2,471,070	2,850,034	-	5,321,104
New Schools - Early Hires, Task Assignment, and Development Dollars	72	82,604	226,946	-	309,550
Textbooks	73	(419,300)	-	-	(419,300)
		\$ 10,228,919	\$ 6,094,411	\$ -	\$ 16,323,330
ACADEMICS					
Academically/Intellectually Gifted Teachers	74	\$ 71,720	\$ 217,387	\$ -	\$ 289,087
Career and Technical Education (CTE) Months of Employment	75	498,402	86,101	-	584,503
CTE Program Support	76	(790,220)	-	-	(790,220)
High School Advance Education Accreditation and Membership Fees	78	-	-	-	-
Elementary School Academics Teachers	79	-	(415,922)	-	(415,922)
Language Assistance Services	80	-	49,572	-	49,572
Library Media Specialists	81	-	34,107	-	34,107
Limited English Proficiency	82	88,883	9,104	-	77,987
Middle School Academics Teachers	83	-	77,985	-	77,985
Title I Coordinating Teacher	84	-	-	65,106	65,106
		\$ (151,215)	\$ 58,314	\$ 65,106	\$ (27,795)
SPECIAL EDUCATION					
Occupational Therapist	85	\$ -	\$ 80,992	\$ -	\$ 80,992
Special Education Teachers and Teaching Assistants	86	997,537	1,141,393	-	2,138,930
Speech-Language Therapists	88	-	153,170	-	153,170
		\$ 997,537	\$ 1,375,555	\$ -	\$ 2,373,092
STUDENT SERVICES					
Alternative Learning Center Teacher	89	\$ -	\$ 25,995	\$ -	\$ 25,995
Elementary and Middle School Intervention Teachers	90	-	93,583	-	93,583
Preschool Special Education Classroom Teachers and Teaching Assistants	91	-	2,092,884	165,760	2,258,644
School Counselors	93	284,085	43,196	-	327,281
School Psychologists	95	109,771	18,769	-	128,540
School Social Worker	96	56,254	11,749	-	68,003
SCORE Full-time Teachers	97	(134,257)	72,822	-	(61,435)
		\$ 315,853	\$ 2,358,998	\$ 165,760	\$ 2,840,611

Summary of Business Cases

Case Name	Case Page	State Sources	Local Sources	Federal Sources	Total
CHILD NUTRITION					
Child Nutrition Services	98	\$ 48,228	\$ (343,155)	\$ 1,067,977	\$ 773,050
		\$ 48,228	\$ (343,155)	\$ 1,067,977	\$ 773,050
TRANSPORTATION					
Exceptional Children's Transportation	99	\$ 366,373	\$ 846,349	\$ -	\$ 1,212,722
Safety Assistants	100	-	637,829	-	637,829
		\$ 366,373	\$ 1,483,978	\$ -	\$ 1,850,351
HUMAN RESOURCES					
Mentor Pay Stipend	101	\$ -	\$ 75,058	\$ -	\$ 75,058
New Teacher Orientation	102	64,635	-	-	64,635
		\$ 64,635	\$ 75,058	\$ -	\$ 139,693
TECHNOLOGY					
E-Rate Program	103	\$ -	\$ 76,810	\$ -	\$ 76,810
School Connectivity	104	9,769	-	-	9,769
School Technology Fund	105	(838,381)	-	-	(838,381)
		\$ (828,592)	\$ 76,810	\$ -	\$ (751,782)
		\$ 11,041,738	\$ 11,179,969	\$ 1,298,843	\$ 23,520,550
PROGRAM CONTINUITY					
ACADEMICS					
District-wide Educational Curriculum and Staff Development	106	\$ -	\$ 324,000	\$ -	\$ 324,000
Effective Teacher Framework Website Resources Specialist	107	-	80,376	-	80,376
		\$ -	\$ 404,376	\$ -	\$ 404,376
STUDENT SERVICES					
Preschool Speech-Language Therapists	108	\$ -	\$ 153,170	\$ -	\$ 153,170
School Counselors	109	-	1,018,327	-	1,018,327
		\$ -	\$ 1,171,497	\$ -	\$ 1,171,497
COMMUNICATIONS					
Web Content Management System	110	\$ -	\$ 77,322	\$ -	\$ 77,322
		\$ -	\$ 77,322	\$ -	\$ 77,322
HUMAN RESOURCES					
Aspx Solutions, Inc.	111	\$ -	\$ 22,950	\$ -	\$ 22,950
		\$ -	\$ 22,950	\$ -	\$ 22,950
TECHNOLOGY					
Instructional Support Technician	112	\$ -	\$ 80,587	\$ -	\$ 80,587
		\$ -	\$ 80,587	\$ -	\$ 80,587
		\$ -	\$ 1,756,732	\$ -	\$ 1,756,732

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Summary of Business Cases

Case Name	Case Page	State Sources	Local Sources	Federal Sources	Total
INFLATION					
ADMINISTRATIVE SERVICES					
Benefit Focus - Compensation Services	113	\$ -	\$ 20,900	\$ -	\$ 20,900
Risk Finance and Risk Control	114	-	63,500	-	63,500
		<u>\$ -</u>	<u>\$ 84,400</u>	<u>\$ -</u>	<u>\$ 84,400</u>
FACILITIES					
Real Estate Leases	115	\$ -	\$ 15,801	\$ -	\$ 15,801
Real Estate Leases - Crossroads I and II	116	-	106,004	-	106,004
		<u>\$ -</u>	<u>\$ 121,805</u>	<u>\$ -</u>	<u>\$ 121,805</u>
INFLATION TOTAL		<u>\$ -</u>	<u>\$ 206,205</u>	<u>\$ -</u>	<u>\$ 206,205</u>
LEGISLATIVE IMPACT					
SCHOOLS					
Increase to Beginning Teacher Pay	117	\$ 6,354,275	\$ 3,546,108	\$ -	\$ 9,900,383
		<u>\$ 6,354,275</u>	<u>\$ 3,546,108</u>	<u>\$ -</u>	<u>\$ 9,900,383</u>
ACADEMICS					
Phase Out Conversion of Career and Technical Education Months to Classroom Teachers	118	\$ (518,273)	\$ 518,273	\$ -	\$ -
Driver Education	119	(2,899,185)	(8,979)	-	(2,908,164)
Indian Gaming	120	(200,275)	200,275	-	-
		<u>\$ (3,617,733)</u>	<u>\$ 709,569</u>	<u>\$ -</u>	<u>\$ (2,908,164)</u>
STUDENT SERVICES					
At-Risk State Funding Change in Revenue	121	\$ (543,892)	\$ 500,863	\$ -	\$ (43,229)
		<u>\$ (543,892)</u>	<u>\$ 500,663</u>	<u>\$ -</u>	<u>\$ (43,229)</u>
LEGISLATIVE IMPACT TOTAL		<u>\$ 2,192,650</u>	<u>\$ 4,756,340</u>	<u>\$ -</u>	<u>\$ 6,948,990</u>
PROGRAM ELIMINATION					
SCHOOLS					
East Wake High School Reunification	122	\$ (222,465)	\$ (314,545)	\$ -	\$ (537,010)
Travel for Elementary, Middle, and High Schools	123	-	(230,830)	-	(230,830)
		<u>\$ (222,465)</u>	<u>\$ (545,175)</u>	<u>\$ -</u>	<u>\$ (767,640)</u>
SYSTEMWIDE					
One-time Costs in 2014-15	124	\$ (2,887,623)	\$(27,372,755)	\$ -	\$(30,260,378)
		<u>\$ (2,887,623)</u>	<u>\$(27,372,755)</u>	<u>\$ -</u>	<u>\$(30,260,378)</u>
ACADEMICS					
Title I Change in Revenue	127	\$ -	\$ -	\$ (4,305,533)	\$ (4,305,533)
		<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,305,533)</u>	<u>\$ (4,305,533)</u>
PROGRAM ELIMINATION TOTAL		<u>\$ (3,110,088)</u>	<u>\$(27,917,930)</u>	<u>\$ (4,305,533)</u>	<u>\$(35,333,551)</u>

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Summary of Business Cases

Case Name	Case Page	State Sources	Local Sources	Federal Sources	Total
NEW PROGRAM					
SYSTEMWIDE					
Local Supplement Increase for Teachers	128	\$ -	\$ 16,000,000	\$ -	\$ 16,000,000
Salary Increases for Non-Certified Staff	129	-	6,000,000	-	6,000,000
		<u>\$ -</u>	<u>\$ 22,000,000</u>	<u>\$ -</u>	<u>\$ 22,000,000</u>
ACADEMICS					
College and Career Ready Assessments	130	\$ -	\$ 162,500	\$ -	\$ 162,500
Instructional Technology Facilitators	131	-	597,889	-	597,889
Magnet Program Expansion - Global Studies and Language Immersion Programs	132	-	238,071	-	238,071
Magnet Program Theme Alignment Months of Employment	133	-	130,959	-	130,959
Vernon Malone College and Career Academy Teacher	134	-	138,980	-	138,980
		<u>\$ -</u>	<u>\$ 1,266,399</u>	<u>\$ -</u>	<u>\$ 1,266,399</u>
AREA SUPERINTENDENT					
Knightdale High School Redesign	135	\$ -	\$ 669,676	\$ -	\$ 669,676
		<u>\$ -</u>	<u>\$ 669,676</u>	<u>\$ -</u>	<u>\$ 669,676</u>
ACADEMIC ADVANCEMENT					
Elementary Support Model	136	\$ -	\$ 665,575	\$ 3,061,110	\$ 3,726,685
		<u>\$ -</u>	<u>\$ 665,575</u>	<u>\$ 3,061,110</u>	<u>\$ 3,726,685</u>
STUDENT SERVICES					
Health Services Processing Technician	138	\$ -	\$ 45,111	\$ -	\$ 45,111
		<u>\$ -</u>	<u>\$ 45,111</u>	<u>\$ -</u>	<u>\$ 45,111</u>
CHIEF OF STAFF AND STRATEGIC PLANNING					
Office of Grants	139	\$ -	\$ 79,933	\$ -	\$ 79,933
		<u>\$ -</u>	<u>\$ 79,933</u>	<u>\$ -</u>	<u>\$ 79,933</u>
COMMUNICATIONS					
Customer Service Representative	140	\$ -	\$ 38,291	\$ -	\$ 38,291
Parent Notification System	141	-	170,000	-	170,000
		<u>\$ -</u>	<u>\$ 208,291</u>	<u>\$ -</u>	<u>\$ 208,291</u>
HUMAN RESOURCES					
Revise Extra Duty Schedule	142	\$ -	\$ 1,780,000	\$ -	\$ 1,780,000
		<u>\$ -</u>	<u>\$ 1,780,000</u>	<u>\$ -</u>	<u>\$ 1,780,000</u>
NEW PROGRAM TOTAL		<u>\$ -</u>	<u>\$ 26,714,985</u>	<u>\$ 3,061,110</u>	<u>\$ 29,776,095</u>

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Summary of Business Cases

Case Name	Case Page	State Sources	Local Sources	Federal Sources	Total
CHANGES TO GRANTS					
ACADEMICS					
Burroughs Wellcome Fund - STEM Extensions Grant	143	\$ -	\$ (15,660)	\$ -	\$ (15,660)
Burroughs Wellcome Fund Student Science Enrichment Program STEM Wise Grant	144	-	56,538	-	56,538
Career and Technical Education - Program Improvement	145	-	-	(45,626)	(45,626)
CIU Confucius Classroom	148	-	(55,601)	-	(55,601)
Duke Javits	147	-	199,263	-	199,263
Magnet Schools Assistance Program	148	-	-	722,133	722,133
National Science Foundation Math and Science Partnership	149	-	-	103,119	103,119
READS Summer Learning Program	150	-	(50,805)	-	(50,805)
Teacher Incentive Fund	151	-	-	(535,698)	(535,698)
Title I Change in Revenue	152	-	-	(3,289,394)	(3,289,394)
Title II Improving Teacher Quality	154	-	-	(973,662)	(973,662)
Title III Limited English Proficiency Language Acquisition Grant	155	-	-	(54,124)	(54,124)
Title III Limited English Proficiency Language Acquisition Significant Increase Grant	156	-	-	55,385	55,385
		\$ -	\$ 133,735	\$ (4,017,867)	\$ (3,884,132)
SPECIAL EDUCATION					
Elementary and Secondary Education Act Title I School Improvement	157	\$ -	\$ -	\$ (136,365)	\$ (136,365)
Individuals with Disabilities Education Act (IDEA) Early Intervention Services	158	-	-	(900,845)	(900,845)
IDEA VI-B Handicapped	159	-	-	(8,004,397)	(8,004,397)
IDEA VI-B Preschool Handicapped	160	-	-	(83,585)	(83,585)
IDEA VI-B Special Needs Targeted Assistance	161	-	-	(23,430)	(23,430)
IDEA Targeted Assistance Preschool	162	-	-	(7,806)	(7,806)
Medicaid Direct Services	163	-	-	(3,548,849)	(3,548,849)
State Improvement Grant	164	-	-	(3,204)	(3,204)
		\$ -	\$ -	\$ (12,708,481)	\$ (12,708,481)
STUDENT SERVICES					
After School Quality Improvement Grant	165	\$ (223,804)	\$ -	\$ -	\$ (223,804)
Elementary and Secondary School Counseling Achieve Success	166	-	-	110,450	110,450
Helping Hands	167	-	(6,386)	-	(6,386)
John Rex Endowment - Positive Parenting Program	168	-	299,701	-	299,701

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Summary of Business Cases

Case Name	Case Page	State Sources	Local Sources	Federal Sources	Total
John Rex Endowment for Social-Emotional Foundations of Early Learning Coaching	169	\$ -	\$ 2,184	\$ -	\$ 2,184
Medicaid Administrative Claiming Outreach Program	170	-	-	(1,051,205)	(1,051,205)
NC Pre-K	171	-	(270,642)	-	(270,642)
Project Enlightenment Self-Support Funds Change in Revenue	172	-	(49,708)	-	(49,708)
		\$ (223,804)	\$ (24,851)	\$ (940,755)	\$ (1,189,410)
COMMUNICATIONS					
Athens Library	173	\$ -	\$ 33,957	\$ -	\$ 33,957
		\$ -	\$ 33,957	\$ -	\$ 33,957
HUMAN RESOURCES					
Principal of the Year	174	\$ -	\$ 1,858	\$ -	\$ 1,858
		\$ -	\$ 1,858	\$ -	\$ 1,858
		\$ (223,804)	\$ 144,699	\$ (17,667,103)	\$ (17,746,208)
CHANGES TO GRANTS TOTAL					
GRANTS, DONATIONS, AND ALLOTMENTS ENDING					
SCHOOLS					
Celebrate My Drive	175	\$ -	\$ (105,000)	\$ -	\$ (105,000)
Confucius Institute	175	-	(8,253)	-	(8,253)
Give with Target	175	-	(6,423)	-	(6,423)
New Schools Project	175	-	(31,289)	-	(31,289)
Project Lead the Way	175	-	(11,561)	-	(11,561)
SAS in Schools	175	-	(543)	-	(543)
Titmus Foundation	175	-	(17,940)	-	(17,940)
Toyota Tapestry	175	-	(57)	-	(57)
		\$ -	\$ (181,066)	\$ -	\$ (181,066)
SYSTEMWIDE					
General Donations and Contributions	176	\$ -	\$ (16,100)	\$ -	\$ (16,100)
		\$ -	\$ (16,100)	\$ -	\$ (16,100)
ACADEMICS					
Arts Donations	176	\$ -	\$ (3,825)	\$ -	\$ (3,825)
Career and Technical Education - Capacity Building Grant - Funding Elimination	176	-	-	(1,882)	(1,882)
Digital Learning	175	(5,136)	-	-	(5,136)
e-Mammal	176	-	(7,200)	-	(7,200)
Lego Foundation Grant	176	-	(21,072)	-	(21,072)
Race to the Top	176	-	-	(963,797)	(963,797)
Race to the Top STEM Funding	177	-	-	(36,088)	(36,088)
Summer Leadership	176	-	(129)	-	(129)
NC Arts Council	175	(12,000)	-	-	(12,000)
		\$ (17,136)	\$ (32,226)	\$ (1,001,767)	\$ (1,051,129)

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Summary of Business Cases

Case Name	Case Page	State Sources	Local Sources	Federal Sources	Total
ACADEMIC ADVANCEMENT					
Grow Up Great with the Arts - PNC Grant	176	\$ -	\$ (2,795)	\$ -	\$ (2,795)
		<u>\$ -</u>	<u>\$ (2,795)</u>	<u>\$ -</u>	<u>\$ (2,795)</u>
SPECIAL EDUCATION					
Children with Disabilities - Risk Pool	177	\$ -	\$ -	\$ (170,920)	\$ (170,920)
		<u>\$ -</u>	<u>\$ -</u>	<u>\$ (170,920)</u>	<u>\$ (170,920)</u>
STUDENT SERVICES					
American Recovery and Reinvestment Act School Improvement 1003 (G)	177	\$ -	\$ -	\$ (132,237)	\$ (132,237)
School Improvement Grant 1003 (G)	177	\$ -	\$ -	\$ (118,526)	\$ (118,526)
Spotlight on Students	178	\$ -	\$ (2,909)	\$ -	\$ (2,909)
		<u>\$ -</u>	<u>\$ (2,909)</u>	<u>\$ (250,763)</u>	<u>\$ (253,672)</u>
MAINTENANCE AND OPERATIONS					
Panic Alarms	175	\$ (77,418)	\$ -	\$ -	\$ (77,418)
		<u>\$ (77,418)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (77,418)</u>
HUMAN RESOURCES					
Governor's Teachers Network	177	\$ -	\$ -	\$ (416,495)	\$ (416,495)
		<u>\$ -</u>	<u>\$ -</u>	<u>\$ (416,495)</u>	<u>\$ (416,495)</u>
GRANTS, DONATIONS, AND ALLOTMENTS					
ENDING TOTAL		<u>\$ (94,554)</u>	<u>\$ (235,096)</u>	<u>\$ (1,839,945)</u>	<u>\$ (2,169,595)</u>
OPERATING BUDGET ADJUSTMENTS					
		<u>\$ 9,805,942</u>	<u>\$ 16,605,904</u>	<u>\$ (19,452,628)</u>	<u>\$ 6,959,218</u>
CAPITAL BUILDING PROGRAM					
FACILITIES					
Capital Building Program	178	\$ -	\$ (39,520,130)	\$ -	\$ (39,520,130)
CAPITAL BUILDING PROGRAM TOTAL		<u>\$ -</u>	<u>\$ (39,520,130)</u>	<u>\$ -</u>	<u>\$ (39,520,130)</u>
TOTAL BUDGET ADJUSTMENTS					
		<u>\$ 9,805,942</u>	<u>\$ (22,914,226)</u>	<u>\$ (19,452,628)</u>	<u>\$ (32,560,912)</u>

Superintendent's Proposed 2015-16 Operating Budget

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Board of Education

The Wake County Board of Education is the local governing body of the Wake County Public School System. Its nine members are each elected from separate county districts and serve staggered four-year terms.

The school board sets policy for the school system that is implemented by the superintendent and administrative staff. The board also adopts an annual budget proposal that includes its request for local funding from the Wake County Board of Commissioners as well as its plan for using state and federal funds. The school board does not have taxing authority.

The North Carolina State Board of Education, as legislated by the North Carolina General Assembly, provides statewide public school governance. The state is responsible for the majority of the district's funding as well as oversight of core academic curricula.



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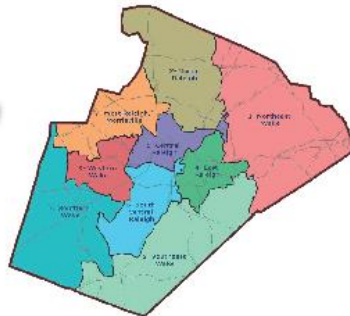


Susan Evans
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Board of Education District Map



Visit the Wake County Public School System website for a list of meeting dates and times:
<http://www.wcpss.net/domain/2754>

Superintendent's Proposed 2015-16 Operating Budget

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Board's Strategic Plan

VISION

All Wake County Public School System (WCPSS) students will be prepared to reach their full potential and lead productive lives in a complex and changing world.

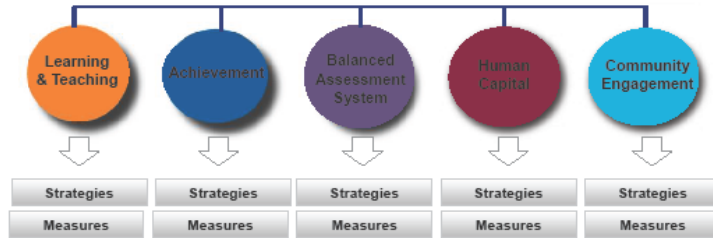
MISSION

WCPSS will provide a relevant and engaging education and will graduate students who are collaborative, creative, effective communicators, and critical thinkers.

GOAL

By 2020, WCPSS will annually graduate at least 95 percent of its students ready for productive citizenship as well as higher education or a career.

STRATEGIC OBJECTIVES



To provide teachers and students with the opportunity to participate in a relevant, rigorous, innovative, and comprehensive learning environment.



To increase proficiency and growth rates across all groups and eliminate predictability of achievement.



To develop and implement a balanced assessment system that accurately reflects students' knowledge of core curriculum standards as well as the ability to collaborate, be creative, communicate, and think critically.



To identify, recruit, develop, and retain highly effective talent.



To foster shared responsibility for student success by building trust, collaboration, and engagement among staff, families, and community partners.

Board's Strategic Plan

CORE BELIEFS

1. Every student is uniquely capable and deserves to be challenged and engaged in relevant, rigorous, and meaningful learning each day.
2. Every student is expected to learn, grow, and succeed while we will eliminate the ability to predict achievement based on socioeconomic status, race, and ethnicity.
3. Well-supported, highly effective, and dedicated principals, teachers, and staff are essential to success for all students.
4. The board of education, superintendent, and all staff, while sustaining best practices, will promote and support a culture of continuous improvement, risk-taking, and innovation that results in a high-performing organization focused on student achievement.
5. The board of education, superintendent, and all staff value a diverse school community that is inviting, respectful, inclusive, flexible, and supportive.
6. The Wake County residents value a strong public school system and will partner to provide the support and resources to fully realize our shared vision, accomplish the mission, and sustain our core beliefs.

Superintendent's Proposed 2015-16 Operating Budget

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Revenues

Source of Income	Budget 2014-15	Proposed Budget 2015-16	Increase/Decrease	% Change
STATE SOURCES				
State Public School Fund				
Position Allotments				
Classroom Teachers	\$ 412,727,501	\$ 423,564,550	\$ 10,837,049	
Instructional Support Personnel - Certified	45,884,577	47,461,837	1,577,080	
Career and Technical Education Months of Employment	37,021,367	39,245,241	2,223,874	
School Building Administration	25,738,812	26,136,761	397,949	
Subtotal Position Allotments	\$ 521,372,257	\$ 536,408,189	\$ 15,035,932	3%
Dollar Allotments				
Teaching Assistants	\$ 33,949,159	\$ 39,559,752	\$ 5,610,593	
Non-Instructional Support Personnel	37,502,949	38,093,409	590,560	
Classroom Materials, Instructional Supplies, and Equipment	7,502,228	4,531,988	(2,970,240)	
State Textbook Account	1,206,456	3,607,001	2,400,545	
Central Office Administration	3,187,434	3,187,434	-	
Subtotal Dollar Allotments	\$ 83,348,126	\$ 88,979,584	\$ 5,631,458	7%
Categorical Allotments				
Children with Special Needs	\$ 79,618,983	\$ 80,616,520	\$ 997,537	
Transportation of Pupils	53,834,949	54,451,873	616,924	
At-Risk Student Services/Alternative Programs and Schools	24,044,389	23,450,000	(594,389)	
Limited English Proficiency	8,292,712	8,361,595	68,883	
Academically/Intellectually Gifted	7,921,500	8,103,433	181,933	
School Technology Fund	4,999,999	4,161,638	(838,361)	
Disadvantaged Student Supplemental Funding	3,777,785	3,777,785	-	
Children with Special Needs - Developmental Day and Community Residential	2,403,085	2,403,085	-	
Career and Technical Education Program Support	2,888,447	1,898,227	(790,220)	
Learn and Earn	1,256,362	1,256,362	-	
Summer Reading Camps	934,694	934,694	-	
Assistant Principal Intern Full-Time MSA Student	704,656	704,656	-	
School Connectivity	494,917	504,686	9,769	
After-School Quality Improvement Grant Program	447,808	223,802	(223,804)	
Behavioral Support	215,640	215,640	-	
Assistant Principal Intern	98,952	98,952	-	
mClass Reading 3D	20,000	20,000	-	
Driver Training	2,899,185	-	(2,899,185)	

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Revenues

Source of Income	Budget 2014-15	Proposed Budget 2015-16	Increase/Decrease	% Change
Indian Gaming Funds	\$ 200,275	\$ -	\$ (200,275)	
Panic Alarms	77,418	-	(77,418)	
Digital Learning	5,136	-	(5,136)	
Subtotal Categorical Allotments	\$ 194,936,690	\$ 191,182,948	\$ (3,753,742)	(2%)
Unallotted (NCDPI covers actual cost or created from transfers)				
Non-Contributory Employee Benefits	\$ 10,716,185	\$ 8,484,836	\$ (2,231,349)	
Dollars for Certified Personnel Conversions	5,993,391	1,050,806	(4,912,585)	
Compensation Bonus	586,249	586,249	-	
IB Test Fees	186,890	186,890	-	
NBPTS Educational Leave	10,880	10,880	-	
Subtotal Unallotted	\$ 17,463,595	\$ 10,319,661	\$ (7,143,934)	(41%)
Subtotal State Public School Fund	\$ 817,120,668	\$ 826,890,382	\$ 9,769,714	1%
Other State Allocations for Current Operations				
Advanced Placement Test Fee Program	\$ 32,800	\$ 32,800	\$ -	
Professional Leave Paid by Outside Agencies	20,000	20,000	-	
NC Arts Council	12,000	-	(12,000)	
Subtotal Other Allocations for Current Operations	\$ 64,800	\$ 52,600	\$ (12,000)	(19%)
Other State Sources				
Child Nutrition - Breakfast Reimbursement	\$ 51,772	\$ 100,000	\$ 48,228	
Subtotal Other State Sources	\$ 51,772	\$ 100,000	\$ 48,228	93%
TOTAL - STATE SOURCES	\$ 817,237,040	\$ 827,042,982	\$ 9,805,942	1%
LOCAL SOURCES				
Local Sources General				
County Appropriation - Operating Budget	\$ 339,271,187	\$ 387,647,848	\$ 48,376,661	
County Appropriation - Capital Improvements	1,287,747	1,247,327	(40,420)	
County Funds for Crossroads Lease	887,466	878,055	(9,411)	
Subtotal Local Sources General	\$ 341,426,400	\$ 389,773,230	\$ 48,346,830	14%
Local Sources - Tuition and Fees				
Before and After School Care	\$ 10,012,379	\$ 9,968,288	\$ (44,091)	
Community Schools	8,571,891	8,571,891	-	
Parking Fees	1,100,000	1,125,000	25,000	
Summer Camp	342,443	342,443	-	

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Superintendent's Proposed 2015-16 Operating Budget

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Budget by Object Code

Object Code	Budget 2014-15	Proposed Budget 2015-16				Increase/Decrease	%
		State	Local	Federal	Total		
SALARIES							
Central Services Administrator	\$ 22,530,737	\$ 2,543,220	\$ 19,860,500	\$ 1,115,250	\$ 23,518,970	\$ 988,233	
School-Based Administrator	28,824,900	20,608,612	6,342,438	-	26,951,050	(1,873,850)	
Administrative Personnel	\$ 51,355,637	\$ 23,151,832	\$ 26,202,938	\$ 1,115,250	\$ 50,470,020	\$ (885,617)	(2%)
Teacher	\$ 438,574,968	\$ 394,434,961	\$ 42,038,801	\$ 23,688,907	\$ 460,162,669	\$ 21,587,701	
Instructional Personnel - Certified	\$ 438,574,968	\$ 394,434,961	\$ 42,038,801	\$ 23,688,907	\$ 460,162,669	\$ 21,587,701	5%
Instructional Support I - Regular Pay Scale	\$ 47,640,794	\$ 39,087,214	\$ 6,353,680	\$ 4,533,488	\$ 49,974,383	\$ 2,333,589	
Instructional Support II - Advanced Pay Scale	8,337,280	7,125,248	1,295,108	54,312	8,474,668	137,388	
Psychologist	5,567,567	5,427,257	275,809	9,740	5,712,806	155,209	
Instructional Facilitator	4,954,324	2,030,968	2,944,860	907,830	5,883,458	929,134	
Instructional Support Personnel - Certified	\$ 66,489,955	\$ 53,670,687	\$ 10,869,437	\$ 5,505,171	\$ 70,045,295	\$ 3,555,300	5%
Teaching Assistant - Other	\$ 826,858	\$ 620,623	\$ 256,813	\$ -	\$ 877,436	\$ 50,578	
Teaching Assistant - NCLB	45,248,895	37,534,193	7,584,551	6,426,943	51,545,687	6,296,792	
Tutor (within the instructional day)	238,882	11,922	-	119,537	131,459	(107,423)	
Brailleist, Translator, Education Interpreter	951,802	810,960	170,843	-	981,803	30,001	
Therapist	3,457,812	3,101,896	517,424	-	3,619,120	161,308	
School-Based Specialist	1,618,071	-	728,199	108,052	836,251	(781,820)	
Monitor	2,700,000	-	3,154,524	-	3,154,524	454,524	
Non-Certified Instructor	27,018	-	6,475	18,000	24,475	(2,543)	
Instructional Support Personnel - Non-Certified	\$ 55,069,338	\$ 42,079,394	\$ 12,418,829	\$ 6,672,332	\$ 61,170,755	\$ 6,101,417	11%
Office Support	\$ 29,250,647	\$ 14,853,907	\$ 15,756,487	\$ 391,987	\$ 31,002,381	\$ 1,751,734	
Technician	2,528,717	78,792	2,687,517	-	2,766,309	237,592	
Administrative Specialist (Central Support)	2,487,102	-	2,531,336	-	2,531,336	44,234	
Technical & Administrative Support Personnel	\$ 34,266,466	\$ 14,932,699	\$ 20,975,340	\$ 391,987	\$ 36,300,026	\$ 2,033,560	6%
Substitute Teacher - Regular Teacher Absence	\$ 8,362,312	\$ 1,080,021	\$ 6,741,903	\$ 261,031	\$ 8,082,955	\$ (279,357)	
Substitute Teacher - Staff Development Absence	2,441,001	448,150	715,269	695,165	1,858,584	(582,417)	
Substitute-Non-Teaching	3,137,733	2,600,857	277,623	166,205	3,034,685	(103,048)	
Teaching Assistant Salary when Substituting (Staff Development Absence)	168,227	54,212	38,889	42,719	135,820	(32,407)	

Budget by Object Code

Object Code	Budget 2014-15	Proposed Budget 2015-16				Increase/Decrease	%
		State	Local	Federal	Total		
Teaching Assistant Salary when Substituting (Regular Teacher Absence)	\$ 1,158,974	\$ 991,787	\$ 58,822	\$ 57,343	\$ 1,107,952	\$ (51,022)	
Substitute Personnel	\$ 15,268,247	\$ 5,165,027	\$ 7,832,506	\$ 1,222,463	\$ 14,219,996	\$ (1,048,251)	(7%)
Driver	\$ 20,018,793	\$ 19,049,176	\$ 1,462,808	\$ 102,857	\$ 20,614,841	\$ 596,048	
Custodian	12,155,529	12,135,924	490,239	320	12,626,483	470,954	
Cafeteria Worker	9,858,720	81,303	5,596,419	4,380,510	10,038,322	179,602	
Skilled Trades	12,010,248	4,871,557	7,537,871	-	12,409,428	399,180	
Manager	6,984,902	630,602	6,528,721	-	7,159,323	174,421	
Work Study Student	12,610	-	12,610	-	12,610	-	
Day Care/Before/After School Care Staff	2,084,338	-	2,081,871	-	2,081,871	(2,467)	
Operational Support Personnel	\$ 63,125,140	\$ 36,768,652	\$ 23,710,539	\$ 4,463,687	\$ 64,942,878	\$ 1,817,738	3%
Bonus Pay (not subject to retirement)	\$ 8,970,178	\$ -	\$ 601,113	\$ -	\$ 601,113	\$ (8,369,065)	
Supplement/Supplementary Pay	90,652,555	-	86,426,649	4,356,774	90,783,423	130,868	
Employee Allowances Taxable	166,808	-	165,192	-	165,192	(1,616)	
Bonus Pay	764,094	481,189	49,034	89,403	619,626	(144,468)	
Longevity Pay	6,591,993	1,933,742	1,255,327	101,822	3,290,691	(3,301,302)	
Bonus Leave Payoff	427,416	303,555	120,339	-	423,894	(3,522)	
Short Term Disability Payment (beyond six months)	99,011	429,009	368	-	429,377	330,366	
Salary Differential	718,666	-	636,217	45,291	681,508	(37,188)	
Annual Leave Payoff	5,428,913	3,881,736	1,488,301	-	5,370,037	(58,876)	
Short Term Disability Payment (first six months)	557,894	463,224	96,762	-	559,986	2,092	
Supplementary & Benefits - Related Pay	\$ 114,377,558	\$ 7,492,455	\$ 90,839,302	\$ 4,593,090	\$ 102,924,847	\$ (11,452,711)	(10%)
Curriculum Development Pay	\$ 897,835	\$ 54,989	\$ 341,089	\$ 38,355	\$ 434,433	\$ (463,402)	
Additional Responsibility Stipend	7,488,226	34,702	8,844,992	135,801	9,015,405	1,547,269	
Mentor Pay Stipend	488,491	414,419	145,162	-	559,581	61,090	
Staff Development Participant Pay	740,745	438,687	211,270	82,825	732,882	(7,863)	
Staff Development Instructor	155,883	28,725	90,443	3,115	122,283	(33,400)	
Tutorial Pay	1,575,570	875,903	93,764	317,738	1,287,405	(288,165)	
Overtime Pay	2,243,086	217,148	2,020,845	-	2,237,993	(5,093)	
Extra Duty Pay	\$ 13,579,636	\$ 2,964,573	\$ 11,747,565	\$ 577,934	\$ 14,390,072	\$ 810,436	6%
SALARIES TOTAL	\$ 852,106,985	\$ 579,760,280	\$ 246,635,257	\$ 48,231,021	\$ 874,626,558	\$ 22,519,573	3%

Superintendent's Proposed 2015-16 Operating Budget

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Business Cases

Introduction The Wake County Public School System's budget process emphasizes aligning resources as needed to support the system's strategic plan. Budget managers submit business cases to request changes to the current year budget that are conducive to accomplishing the system's strategic objectives.

The deputy superintendent and chief officers review requests for their divisions and determine which business cases to submit for consideration for the Superintendent's Proposed Budget. The superintendent, deputy superintendent, and chief officers meet in multiple work sessions to prioritize business cases across all divisions to prepare a balanced budget request for the superintendent.

This section of the budget includes all business cases included in the Superintendent's Proposed Budget. Each business case defines the current base budget, shows increases or decreases recommended for the next fiscal year, and shows the total budget proposed for 2015-16.

Categories Business cases are organized into the following categories to indicate the reason for the budget adjustment:

- Growth
- Program Continuity
- Inflation
- Legislative Impact
- Program Elimination
- New Program
- Changes to Grants
- Grants, Donations, and Allotments Ending
- Capital Building Program

Areas Within each category, the business cases are grouped together by the following areas:

- Schools
- Systemwide
- Academics
- Academic Advancement
- Area Superintendent
- Human Resources
- Communications
- Administrative Services
- Special Education
- Student Services
- Technology
- Chief of Staff and Strategic Planning
- Child Nutrition
- Transportation
- Facilities
- Maintenance and Operations

Employment Lengths Several business cases include requests for additional Months of Employment (MOE). Different positions have different employment lengths. The chart below shows typical employment lengths for common position types.

Position	MOE
Principal	12.00
Assistant Principal	11.00 or 12.00
Teacher	10.00
Teaching Assistant	9.30
Bus Driver	10.00
Non-certified Staff	12.00

Business Cases

Calculations Business cases show a total cost for the requested Months of Employment (MOE) for each position type. The amount includes the base pay, supplement (if applicable), social security, retirement, hospital, and dental costs. The state does not pay the supplement or dental costs; therefore, there is a local cost for months added to the state budget. The base pay amount is estimated based on the beginning salary per the North Carolina Department of Public Instruction.

The following is an example of how the total cost for a teacher (10 MOE) is calculated, along with the breakdown of state and local costs for months added to the state budget:

	Total Cost	State Cost	Local Cost
Base Pay	\$ 33,000	\$ 33,000	\$ -
Supplement (14.25%)	4,703	-	4,703
Social Security (7.65%)	2,884	2,524	360
Retirement (15.21%)	5,735	5,020	715
Hospital (\$5,378/year)	5,378	5,378	-
Dental (\$291/year)	291	-	291
Total	\$ 51,991	\$ 45,922	\$ 6,069

One-time Costs Some business cases include one-time costs, which means the increase to the budget will occur for one year only and will be removed the subsequent year. Usually, this occurs when new positions are being created and there are costs for new computers or setting up a new work area. The following one-time costs are included in this proposed budget:

Case Name	One-time Cost	Amount
New Schools and Calendar Changes	Computers for Transportation	\$ 2,000
School Social Worker	Laptop and Printer	975
Office of Grants	Computer	659
Magnet Program Expansion - Global Studies and Language Immersion Programs	Signage at Five Schools	15,000
Elementary Support Model	Laptop, Printer, and Initial Office Set up	6,950
Health Services Processing Technician	Laptop	837
		\$ 26,421

Superintendent’s Proposed 2015-16 Operating Budget

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Growth

Charter Schools

Area Schools

Description In accordance with General Statute 115C-238.29H, local current expense revenues are distributed to charter schools based on the number of charter school students. There was a 25 percent increase in charter school students in 2014-15. It is estimated that there will be another increase in the amount due to charter schools in the 2015-16 school year. The amount of increase will depend on student membership of Wake County Public School System students, Wake County students attending charter schools, and total local current expense revenues.

The proposed budget includes an increase of \$1.3 million for 2015-16. The actual increase could become as high as \$4.8 million. The difference of \$3.5 million is included on the list of potential risks.

Strategic Objective Learning & Teaching

Budget Adjustments

Description	MOE	Local
Current Budget	-	\$ 17,637,763
Budget Adjustments:		
Charter Schools		\$ 1,300,000
Total	-	\$ 1,300,000
Proposed Budget	-	\$ 18,937,763

Superintendent's Proposed 2015-16 Operating Budget

Budget Focus*

Growth & Program Continuity (staying in place)

- ≈ 3,000 more students & 3 additional schools
- Medicaid/Counselors, CTE conversion/Teachers, Professional Development
- \$12.9 m local funding required for growth & program continuity alone

Recruit & Retain high quality employees

- Assumes state will legislate beginning teacher changes \$33 k → \$35 k
- First of five year phase in to bring teachers to national salary average
- Recurring salary increase for non-certified staff
- First of five year phase in to revise entire extra duty salary schedule
- \$27.3 m local funding required

Academics, Innovative School Design, High Needs Schools,

- Funding to address first 12 high needs elementary schools
- Instructional Technology Facilitators phase in
- Knightdale HS redesign
- Magnet Program expansion & theme alignment
- \$2.3 m local funding required, and \$5.4 m total funding required

*Local funding required for items on this page represents 88% of the county appropriation increase included in the proposed budget

Superintendent's Proposed 2015-16 Operating Budget

Board Time-Line

- Public Hearing – April 21
- Board Work-Session – April 21
- Additional Work-Sessions as required
- Board's approves Proposed 2015-16 Budget - May 5 Meeting
- Board's Proposed Budget to County – by May 15

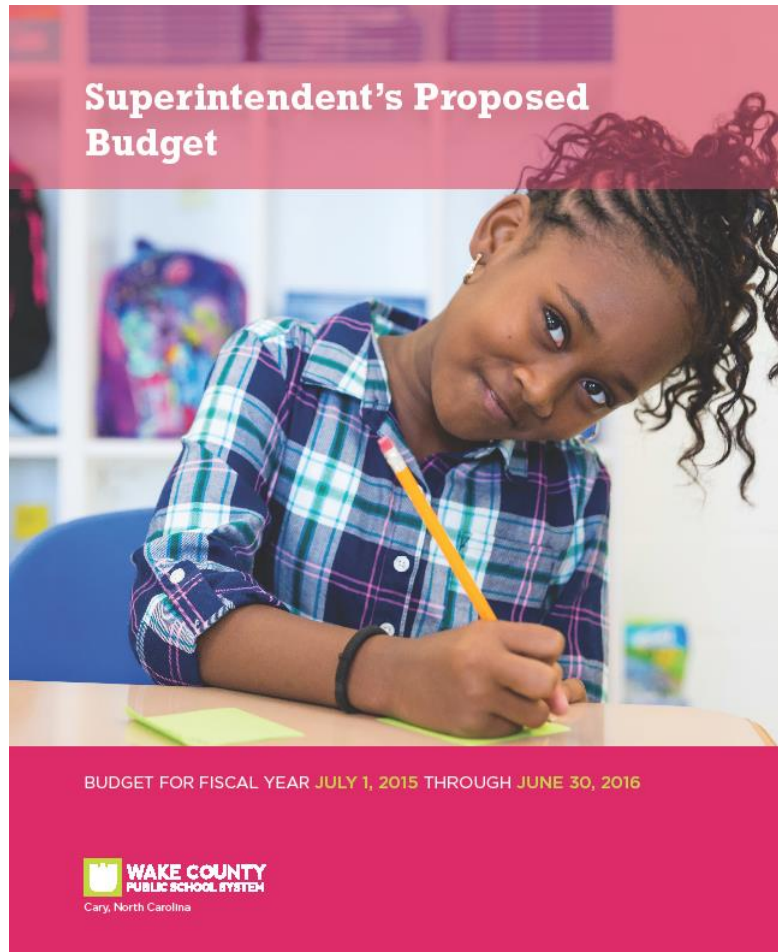
Superintendent's Proposed 2015-16 Operating Budget

Board Work-Sessions

- Opportunity for Board to discuss the budget and direct Superintendent & Staff to make changes
- Direct questions to Terri Kimzey, Senior Director of Budget at tkimzey@wcpss.net
- Questions & responses reviewed at Work-Sessions & posted on-line

Superintendent's Proposed 2015-16 Operating Budget

- Closely monitor legislative long-session for state budget adjustments
- Budget document posted for public at www.wcpss.net





Superintendent's Proposed 2015-16 Operating Budget

April 7, 2015
