

2024-2025

ALLOTMENT POLICY MANUAL



**PUBLIC SCHOOLS OF NORTH CAROLINA
STATE BOARD OF EDUCATION
DEPARTMENT OF PUBLIC INSTRUCTION
FINANCIAL AND BUSINESS SERVICES
DIVISION OF SCHOOL BUSINESS**



www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/allotments--funding-public-school-units

FY 2023-2024
ALLOTMENT POLICY MANUAL
Federal Grant Programs

**PUBLIC SCHOOLS OF NORTH CAROLINA
STATE BOARD OF EDUCATION
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Special Education Programs

**PUBLIC SCHOOLS OF NORTH CAROLINA
STATE BOARD OF EDUCATION
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FINANCIAL AND BUSINESS SERVICES
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IDEA– SPECIAL EDUCATION STATE IMPROVEMENT GRANT (PRC 0082)

PROGRAM REPORT CODE: 0082
 UNIFORM CHART OF ACCOUNTS CODE: XXXX-0082-XXX
 CFDA #: 84.323A

TYPE: Dollars (Competitive Grant)

TERM: 60 months in a recurring five-year cycle

PURPOSE: The NC State Improvement Project (State Personnel Development Grant) provides personnel development and program support services to significantly improve the performance and success of students with disabilities state-operated programs, traditional and charter local education agencies (LEAs) in North Carolina. Funds support the implementation of researched-based practices in reading, mathematics, co-teaching, adolescent literacy, leadership development and coaching support through the establishment of best practices centers, demonstration, and network partnership implementation.

The four major goals established to accomplish the purpose of the NC State Improvement Project (NC SIP) are:

- 1) NC SIP staff will increase their capacity to provide leadership, professional development, coaching, and supports to participating districts, teachers, and families on leadership and effective reading math, and content literacy instruction.
- 2) District and building administrators will have the skills to develop, implement, and evaluate district plans that support the improvement of core content instruction and achievement of students with disabilities in their districts.
- 3) Teachers and administrators will have the skills to effectively implement research-based reading, math, adolescent literacy and co-teaching instructional practices for students with disabilities in the K-12 classroom, which will lead to increased student engagement, student generalization of skills, academic achievement, and family engagement.
- 4) 4. Pre-service teachers and in-service administrators enrolled in partnering IHEs, will have the capacity to effectively implement and support research-based reading, math adolescent literacy, and co-teaching for students with disabilities.

ELIGIBILITY: Each state-operated program, traditional and charter LEA is provided an opportunity to submit an application to be a NC State Improvement Project (SIP) Best Practice, Demonstration, or Network site.

Initial funding must be approved by the State Board of Education prior to the state operated program, traditional and charter and LEA receiving.

FORMULA: Funds are allocated annually to state operated programs, traditional and charter LEAs selected through the competitive application progress. The amount of funds allocated is based on state level assessment of local needs, for selected and approved centers and sites.

SPECIAL PROVISION:

- 1) Funds may not be transferred out of this PRC.
- 2) Funds are allocated after September 30 of each year. This grant cycle will end September 30th of the following Fiscal Year.
- 3) Each state operated program, traditional and charter LEA selected to participated in NC State Improvement Project must maintain and submit documentation of funds expended bi-annually to support the implementation of their SIP implementation plan.
- 4) Funds are specific and all unused funds not encumbered by September 30th are carried over to next year. ~~In years 1-4 of the grant, selected LEAs have 27 months to spend the funding each year.~~ In year 5 (final year of the grant), participating LEAs will have 12 months with a 90-day liquidation to use the grant funds
- 5) Current year awards for which a PSU is eligible will be reduced by the amount of funds carried over by that PSU from the previous fiscal year.
- 6) Guidelines for spending follow: 90% of funds allotted are to budgeted and spent for professional development; 10% of funds allotted are to be budgeted and spent for materials to support the professional development.

2024-2025

ALLOTMENT POLICY MANUAL

State Formulas



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www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/allotments--funding-public-school-units

ACADEMICALLY OR INTELLECTUALLY GIFTED (PRC 0034)

PROGRAM REPORT CODE: 0034
UNIFORM CHART OF ACCOUNTS CODE: XXXX-0034-XXX
STATUTORY REFERENCE: [GS 115C Article 9B](#)
[G.S.115C-150.10](#)
[SL 2017-57, Section 7.2\(b\)](#)
[SL 2018-5, Section 7.2](#)
[SL 2023-134, Section 7.2](#)

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: Funds allocated for academically or intellectually gifted students may be used only:

- for academically or intellectually gifted students,
- to implement the plan developed under [GS 115C-150.7](#),
- for children with special needs, or
- in accordance with an accepted school improvement plan, for any purpose so long as that school demonstrates it is providing appropriate services to academically or intellectually gifted students assigned to that school in accordance with the local plan developed under [GS 115C-150.7](#).

ELIGIBILITY: Each LEA is entitled to funding.

FORMULA: To the extent funds are made available for this purpose, eEach LEA receives dollars per child for a maximum of four percent (4%) of their allotted ADM for the current school year, regardless of the number of children identified as academically or intellectually gifted in the LEA.

SPECIAL PROVISIONS:

Funds may be transferred into this category by submitting ABC transfer forms. ~~Effective July 1, 2018, n~~No funds shall be transferred out of this category.

CENTRAL OFFICE ADMINISTRATION (PRC 002)

PROGRAM REPORT CODE: 002
 UNIFORM CHART OF ACCOUNTS CODE: XXXX-002-XXX
 STATUTORY REFERENCE: [SL 2002-126, Committee Report](#)

TYPE: Dollar
 TERM: July 1 - June 30
 PURPOSE: Provides funding for salary and benefits for central office administration. This category is used to pay for personnel including:

- Superintendent
- Directors/Supervisors/Coordinators
- Associate and Assistant Superintendents
- Finance Officers
- Child Nutrition Supervisors/Managers
- Community Schools Coordinators/Directors
- Athletic Trainers
- Health Education Coordinators
- Maintenance Supervisors
- Transportation Directors

Funds cannot be expended for any of the above personnel outside of this allotment category.

ELIGIBILITY: Each LEA is entitled to funding.
 FORMULA: Per the [Committee Report of SL 2002-126](#) moving forward:
 1) Freeze local school administration units (LEAs) allotments at the FY 2001-02 allotment level.
 2) Adjust allotments by the net effect of other legislative changes (such as, legislative increases or benefit changes) and the reduction for charter school reserve.

The new formula for FY 2002-2003 developed by the State Board in accordance with [SL 2001-424, Section 28.14\(g\)](#) was not implemented per the [Committee Report of SL 2002-126](#).

HISTORICAL REF: The following is the Formula that was in effect from Fiscal Year 1996 through Fiscal Year 2001.

Base Allotment Each LEA receives a base allotment which is graduated based on allotted ADM. To determine the base, select the ADM range from the charts below and add the base and the supplemental base together.

Cities

ADM Ranges	Base	ADM Over Range	\$ Per ADM Over Range
0 - 4,999	\$360,000	0	12.00
5,000 - 9,999	420,000	4,999	36.01
10,000 - 14,999	600,000	9,999	18.00
Each addt'l 5,000	add 90,000	add 5,000	18.00

Counties

ADM Ranges	Base	ADM Over Range	\$ Per ADM Over Range
0 - 4,999	\$420,000	0	12.00
5,000 - 9,999	480,000	4,999	36.01
10,000 - 14,999	660,000	9,999	18.00
Each addt'l 5,000	add 90,000	add 5,000	18.00

Add-On Per ADM

After the base is allotted, the remaining funds are allocated to LEAs with ADM greater than 1,500 based on dollars per ADM.

SPECIAL PROVISIONS:

- 1) Funds cannot be transferred into this category. Funds can be transferred out of this category by submitting an ABC Transfer Form in the Allotment System.
- 2) Only expenditures for administrative personnel and matching benefits are allowed.
- 3) Refer to the General Information Section – Merged LEAs.
- 4) Federal law requires a match for Child Nutrition Supervisors. A State expenditure in excess of \$7 million is necessary for North Carolina to be eligible for Section 4 federal funds. Beginning with the FY 2010-11, each LEA shall expend at least \$45,000 from their Central Office Administration (PRC 002) allocation or any other State funded PRC which allows

coding to purpose code 7200 for child nutrition expenses. The following purpose object combinations are in PRC 002 for meeting this mandate:

- a) Child Nutrition Director and/or Supervisor 7200 - 113,
 - b) Manager 7200 - 176, and
 - c) The matching benefit codes 7200 - 211, 7200 - 221, 7200 - 231, or
 - d) Utilize the Inter-fund Transfers to Child Nutrition code 8400 – 715; funds transferred for this purpose may be used to pay the cost of reduced-price breakfast meals (\$.30 per meal) for eligible students should be the state allocation for reduced-price breakfast meals be insufficient to do so.
- 5) In accordance with [GS 115C-271](#), a local board may terminate a Superintendent's contract before the contract term of employment has expired if all of the following conditions are met:
- a) No state funds are used for this purpose.
 - b) Local funds appropriated for teachers, textbooks, or classroom materials, supplies and equipment are not transferred or used for this purpose.
 - c) The local board makes public the funds that are to be transferred or used for this purpose.
 - d) The local Board notifies the State Board of the funds that are to be transferred or used for this purpose.
 - e) No funds acquired through donation or fund-raising are used for this purpose, except funds raised specifically for this purpose or for funds donated by private for-profit corporations.
- 6) Once the Department of Public Instruction (NCDPI) is notified by the Director of the Retirement System Division (RSD) of the State Treasurer's Office of delinquent contributions owed by a participating employer (local education agency), the NCDPI will reduce the Central Office Administration allotment to the employer in the amount of the delinquency. This action is in compliance with the legislative authority ([GS 128-30\(g\)\(3\)](#)) and the Retirement System's Board of Trustees' policies. The State Board of Education will receive a communication of any reductions.
- 6) [In the event the State Board of Education appoints an interim superintendent per G. S. 115C-105.39 and in accordance with its policy DSTR-041, the State Board may direct the NCDPI to reduce the Central Office Administration allotment in the amount of the salary and benefits for the interim superintendent, not to exceed the annual total compensation and benefits the LEA contracted for the most recent superintendent for the LEA, regardless of funding source.](#)

CHILDREN WITH DISABILITIES (PRC 0032)

PROGRAM REPORT CODE: 0032
UNIFORM CHART OF ACCOUNTS CODE: XXXX-0032-XXX
STATUTORY REFERENCE: G.S.115C-111.05
[SL 2018-5, Section 7.1](#)

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: Provide funding for the special educational needs and related services of Children with Disabilities. These funds are to be used for:

- Children with Disabilities
- Children with Disabilities Preschool State Funding
- ~~Group Homes, Foster Homes, or Similar Facilities~~

Funds for Community Residential Centers, Group Homes, Foster Homes, or similar facilities are allotted in PRC 0089 and funds for Developmental Day Centers are allotted in PRC 0063, Children with Disabilities Special Funds.
ELIGIBILITY: All LEAs and Charter Schools are entitled to funding based on the formulas listed below
FORMULA: To the extent funds are made available for this purpose, funds shall be allocated on a per child basis. Children with Disabilities and Preschool Disabled State funded allotments are calculated separately and then combined into one allotment. Matching benefits are included. The individual formulas are listed below.

CHILDREN WITH DISABILITIES:

Child count is based on Children with Disabilities child count, ages 5 through 21.

Multiply the lesser of the December 1 child count or an overall 13.00% cap of the Allotted ADM by the dollar per child count funding factor.

CHILDREN WITH DISABILITIES PRESCHOOL:

Each LEA receives a base amount equal to the average salary of a classroom teacher plus benefits. All remaining are distributed based on the December 1 child count of children ages 3, 4, and pre-K5.

~~GROUP HOMES, FOSTER HOMES, OR SIMILAR FACILITIES:~~

~~The Exceptional Children Division reimburses Local Boards of Education the per-child allocations for average daily membership (ADM), state aid and IDEA 611 of children with disabilities assigned to group homes, foster homes, or similar facilities.~~

~~Applications may be found at <https://ecip.schools.nc.gov>.~~

SPECIAL PROVISION:

- 1) No Funds shall be transferred out of this category.
- 2) Funds may be used to transport preschool aged children with disabilities only.
Transportation for school age children must be paid from transportation funds (PRC 0056) or see special provision for Special State Reserve ~~PRC063~~PRC0089.
- 3) Refer to Policies Governing Services for Children with Disabilities produced by the Exceptional Children Division and to the School Attendance and Student Accounting Manual produced by the Division of School Business.
- 4) LEAs are encouraged to use teacher positions generated by that portion of their total ADM that is made up of children with disabilities to fund children with disabilities teachers.
- 5) Funds for Children with Disabilities will be reduced based on on-site audits and the determination that students are found to be in non-compliance with State/Federal regulations.
- 6) If two or more LEAs are consolidated into one LEA, the Children with Disabilities Preschool allotment shall not be less than the same allotment to the separate LEAs for the first and second full fiscal years of the consolidation and shall be used for the continuation of the positions, except as specifically authorized by the State Board of Education.
- 7) During the first 60 school days, if a child with disabilities who was included in the prior fiscal year December 1 child count leaves or returns to an LEA or Charter from or to a charter school, the pro-rata share of funds allocated for that child will be adjusted. In order to initiate the transfer of funds, the LEA or charter school receiving the students must enter and submit required information for all students in the NC DPI Child Count Transfer System by the 10th of the month following the month the student transferred. Child Count Transfer System web link is www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/allotments--funding-public-school-units#forms.

Revised December 1, 2021, June 6, 2024

CHILDREN WITH DISABILITIES - SPECIAL FUNDS DEVELOPMENTAL DAY CENTERS (PRC 0063)

PROGRAM REPORT CODE: 0063
UNIFORM CHART OF ACCOUNTS CODE: XXXX-0063-XXX
STATUTORY REFERENCE: SL [2021-180 Section 7.12](#)
[SL2023-134, Section 7.54](#)

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: Provide funding for the special educational needs and related services of Children with Disabilities. These funds are to be used for:

- ~~Community Residential Centers (3 through 21)~~
- Developmental Day Centers (3 through 21)
- ~~Special State Reserve (3 through 21)~~

ELIGIBILITY: All LEAs and charter schools may submit applications.
FORMULA: Formulas for individual purposes are below:

DEVELOPMENTAL DAY CARE:

Requests for funding are made on individual applications submitted by the LEA and approved by the Department of Public Instruction, Exceptional Children Division for children receiving their special education and related services in an approved developmental day center. Allotments for identified children are based on an established up to a maximum of \$1,350 per month for a maximum of ten months.

Any unexpended funds shall not revert but be placed in a reserve. When the reserve is at least \$50,000, the Department shall distribute the funds through a grant program for Developmental Day Centers only, LEAs are not eligible for the grant awards.

~~**COMMUNITY RESIDENTIAL CENTER:**~~

~~Requests for funding are made on individual applications submitted by the LEA and approved by the Department of Public Instruction, Exceptional Children's Division for children receiving their special education and related services in a community residential center. Allotments for identified children are based on an established monthly rate for a maximum of ten months and an adjusted monthly rate for up to two months of Extended School Year (ESY) services.~~

~~**SPECIAL STATE RESERVE:**~~

~~A reserve has been established to be used when all available state, federal, and local resources have been exhausted. The funds are to be used for emergency situations, such as high cost children or severely disabled children. Requests are made on individual~~

~~applications submitted in the LEA and approved by the Department of Public Instruction Exceptional Children Division. All allocations will be made within funds available. All withdrawals must be reported within 60 days.~~

~~Beginning with the 2021-22 fiscal year, the Special State Reserve may also be used to cover extraordinary transportation costs for high-needs children with disabilities. The LEAs and charter schools shall apply for the funds through the Division of Exceptional Children.~~

~~SSRF transportation funds shall be awarded to qualifying local school administrative units consistent with the following:~~

- ~~A. In determining extraordinary transportation costs, the Department shall consider total prior year transportation expenditures for high-needs children with disabilities, including expenditures from local funds and all other funding sources, as a proportion of total expenditures.~~
- ~~B. Applicants with the highest extraordinary transportation costs shall receive the highest priority in the award of grant funds.~~
- ~~C.A. _____ Funds may be awarded during the initial year of a high-needs student's enrollment in a LEA or charter school or in subsequent years of the student's enrollment.~~

SPECIAL PROVISION:

- 1) Funds cannot be transferred into or out of this category.
- 2) Refer to **NC Policies Governing Services for Children with Disabilities** produced by the Exceptional Children Division and to [School Attendance and Student Accounting Manual](#) produced by the Division of School Business.
- 3) Developmental Day Centers ~~and Community Residential~~ funds should be expended according to the LEA's approved plan to serve children ages 3 through 21.

CHILDREN WITH DISABILITIES - SPECIAL STATE RESERVE (PRC 0089)

PROGRAM REPORT CODE: 0089
UNIFORM CHART OF ACCOUNTS CODE: XXXX-0089-XXX
STATUTORY REFERENCE: SL 2021-180 Section 7.12
SL2023-134, Section 7.54

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: Provide funding for the special educational needs and related services of Children with Disabilities. These funds are to be used for:

- Community Residential Centers (3 through 21)
- Group Homes, Foster Homes, or Similar Facilities
- Special State Reserve (3 through 21)

ELIGIBILITY: All LEAs and charter schools may submit applications.

FORMULA: Formulas for individual purposes are below:

GROUP HOMES, FOSTER HOMES, OR SIMILAR FACILITIES:

The Exceptional Children Division reimburses Local Boards of Education the per-child allocations for average daily membership (ADM), state aid and IDEA 611 of children with disabilities assigned to group homes, foster homes, or similar facilities.

Applications may be found at <https://ccip.schools.nc.gov>.

COMMUNITY RESIDENTIAL CENTER:

Requests for funding are made on individual applications submitted by the LEA and approved by the Department of Public Instruction, Exceptional Children's Division for children receiving their special education and related services in a community residential center. Allotments for identified children are based on an established monthly rate for a maximum of ten months and an adjusted monthly rate for up to two months of Extended School Year (ESY) services.

SPECIAL STATE RESERVE:

A reserve has been established to be used when all available state, federal, and local resources have been exhausted. The funds are to be used for emergency situations, such as high cost children or severely disabled children. Requests are made on individual applications submitted in the LEA and approved by the Department of Public Instruction

Exceptional Children Division. All allocations will be made within funds available. All withdrawals must be reported within 60 days.

The Special State Reserve may also be used to cover extraordinary transportation costs for high-needs children with disabilities. The LEAs and charter schools shall apply for the funds through the Division of Exceptional Children.

SSRF transportation funds shall be awarded to qualifying local school administrative units consistent with the following:

- B. In determining extraordinary transportation costs, the Department shall consider total prior-year transportation expenditures for high-needs children with disabilities, including expenditures from local funds and all other funding sources, as a proportion of total expenditures.
- C. Applicants with the highest extraordinary transportation costs shall receive the highest priority in the award of grant funds.
- D. Funds may be awarded during the initial year of a high-needs student's enrollment in a LEA or charter school or in subsequent years of the student's enrollment.

SPECIAL PROVISION:

- 4) Funds cannot be transferred into or out of this category.
- 5) Refer to **NC Policies Governing Services for Children with Disabilities** produced by the Exceptional Children Division and to School Attendance and Student Accounting Manual produced by the Division of School Business.
- 6) Community Residential funds should be expended according to the LEA's approved plan to serve children ages 3 through 21.

LITERACY INTERVENTION (PRC 0085)

TYPE: Dollars
 PROGRAM REPORT CODE: 0085
 UNIFORM CHART OF ACCOUNTS CODE: XXX0-0085-XXX
 STATUTORY REFERENCE: [GS 115C, Article 8, Part 1A](#)
 SL 2012-142 7a.1
 SL 2021-8, [SL 2021-3](#)

TERM: July 1 - June 30

PURPOSE: Using Excellent Public Schools Act funds to provide literacy intervention funds for Kindergarten, first, second, and third grade students as required by General Statute and session law. The funds shall also be used to support the [implementation of approved PSU Literacy Intervention Plans including Science of Reading professional development implementation and sustainability for NC-Pre-K and K-5-Grade 5](#) eligible public school teachers.

ELIGIBILITY: A) Literacy Intervention Funds
 All LEAs and IPSs which serve grades K-3 students are entitled to funding.

~~B) Science of Reading
 All LEA NC Pre-K Programs are eligible for Science of Reading professional development funds~~

~~C) 3rd grade students who have been retained twice~~

FORMULA: A) Literacy Intervention Funds
 Funds shall be allotted to PSUs based on Kindergarten to third grade allotted ADM.

~~B) Science of Reading
 Each LEA NC Pre-K Program shall receive: \$165 per state funded teacher who attends facilitated LETRS training with confirmed LETRS training attendance.~~

~~C) Dollars per 3rd grade student who has been retained twice~~

SPECIAL PROVISION:

- 1) Funds may only be used for the purpose stated and may not be transferred out of the allotment category.
- 2) Allowable use of funds:
 - A. Literacy Intervention Funds may be used to:
 - i) Implement the LEA Literacy Intervention Plan approved by DPI
 - ii) Provide signing and performance bonuses per G.S. 115C-83.7A(b)

LEAs shall not receive literacy intervention funds until the LEA's Literacy Intervention Plan has been ~~submitted, and submitted and~~ approved by DPI's Office of Early Learning. LEAs which have not received approval by April 15 are not eligible for State literacy intervention funds and shall be required to provide literacy interventions as set in general statute from local funds.

B. Science of Reading (SoR)

Funding shall be provided to reimburse for:

- i) Substitute pay for lead Pre-K and K-5 teachers with an 025 Elementary Education K-6 license, EL, and EC resource teachers to attend ~~Science of Reading SoR~~ training on an instructional day.
- ii) Stipends for lead Pre-K and K-5 teachers with an 025 Elementary Education K-6 license, EL, and EC resource teachers to attend ~~Science of Reading SoR~~ training outside of the instructional day and/or school calendar days.
- iii) Ongoing support or classroom implementation of of SoR instructional practices.
- ii)iv) Tutoring for intensive support by qualified, SoR trainged staff.

C. Funds for Twice Retained 3rd Grade Students

Funding shall be used to offer supplemental tutoring in evidence-based reading services outside of the instructional day

- 3) The following units shall receive the allocation in the PRC indicated:
 - a. Charter Schools is in PRC 0036 – State Charter School
 - b. Lab Schools in PRC 0038 – “Z” Schools
 - c. Renewal School District in PRC 0037 - Restart Schools/Renewal School District

STOP ARM ENHANCEMENT FUNDS – (PRC 0087)

PROGRAM REPORT CODE: 0087
UNIFORM CHART OF ACCOUNTS CODE: 65500-0087-XXX
STATUTORY REFERENCE: [SL 2013-360](#)
[SL 2023-134](#)

TYPE: Dollars
TERM: July 1 to June 30
PURPOSE: Provides funding for school bus stop arm enhancements from purpose-specific funding.
ELIGIBILITY: Each LEA or PSU is eligible for funding.
FORMULA: 1) Funds are allotted to each of the 115 LEAs which request funds to procure and install stop arm violation camera systems to a maximum of \$3,000 per system. Funds remaining after allocating two systems per requesting LEA will be provided to those LEAs requesting additional systems based on those LEAs with a lower proportion of their school bus fleet currently equipped with these systems.
2) ~~Funds are allotted to PSUs with school buses which apply and are awarded competitive grant funds to procure enhanced school bus stop arms. The State Superintendent shall approve the awards prior to allocation.~~

SPECIAL PROVISIONS:

- 1) Eligible costs are for equipment and equipment installation.
- 2) Qualifying stop arm camera systems must document violations for use in prosecution and therefore qualifying systems must attempt the capture of images to identify the driver of the vehicle committing the violation.
- ~~3) Enhanced school bus stop arm applications shall include and awards will consider:
a) Type of number of stop signal additions, updates, or replacements proposed
b) Number of bus routes or stops known to pose a significant safety risk~~
- 4) 3) Qualifying enhanced school bus stop arms include:
 - a) Extended mechanical stop signal. – A mechanical stop signal that is a minimum of 60 inches away from the side of the school bus when extended, whether operated independently or in conjunction with a shorter mechanical stop signal.

b) Illuminated mechanical stop signal. – A mechanical stop signal that is illuminated with a light-emitting diode (LED) light source.

5)4) For any technology not currently provided on school buses in State Term Contract 071C or listed in allowed alterations of school bus equipment in State Board of Education Policy TRAN-005, LEAs must agree to pilot the technology and provide data on its safety and efficacy compared to existing systems and any other data requested.

6)5) Funds cannot be transferred in to or out of this PRC.

SUPPLEMENTAL FUNDS FOR TEACHER COMPENSATION (PRC 0071)

PROGRAM REPORT CODE: [0071](#)
UNIFORM CHART OF ACCOUNTS CODE: XXXX-[0071](#)-XXX
STATUTORY REFERENCE: [SL 2021-180 Section 7A.12](#)
[SL 2022-74 Section 7A.9](#)
[SL 2023-134 Section 7A.4](#)
[SL 2024-39, Section 1.7B](#)

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: To provide funds to eligible LEAs to provide salary supplements to teachers and instructional support in those units.
ELIGIBILITY: LEAs within eligible counties.

An eligible LEA located in whole or in part in a county that has an adjusted market value of taxable real property of less than \$50,900,000 based on data provided by the Local Government Commission the previous fiscal year.

FORMULA: The formula for allotment is as follows:

- 1) Calculate a county allocation for each eligible county using the following steps:
 - a. Determine **the composite value** for each eligible county. The composite value is the sum of:
 - i. The taxable real property factor for the county [the median adjusted market value of taxable real property⁽¹⁾ in the State divided by the adjusted market value of taxable real property of that county] multiplied by 65%.
 - ii. The median household income factor for the county [the median household income⁽²⁾ in the State divided by the median household income for that county] multiplied by 25%.
 - iii. The effective tax rate factor for the county [the effective tax rate for that county divided by the median effective tax rate in the State⁽³⁾] multiplied by 10%.
 - b. Determine **the supplement factor** for each eligible county. The supplement factor is the composite value (calculated in Step a) multiplied by the number of State-funded certified teachers and instructional support personnel employed in a school in a LEA in the county.
 - c. Determine **the county allocation factor** for each eligible county by dividing the supplement factor for the county (calculated in Step b.) by the sum of all

supplement factors for the State. Distribute the appropriation for the counties for Supplemental Funds for Teacher Compensation based on this factor.

- d. Per teacher funding cap: The allocation by LEAs shall not exceed \$5,000 per State funded teacher and instructional support. Determine a per-teacher funding amount by dividing the county allocation amounts by the total number of State funded teachers and instructional support, employed in 6th pay period of the prior year, in all eligible LEAs in that county. The county allocation shall be adjusted to ensure that the per teacher allocation does not exceed the cap.
- e. For counties that have multiple LEAs within its borders, the allocation of the county shall be distributed to the LEAs based on the total number of State funded teachers and instructional support, employed in 6th pay period of the prior year. For LEAs that cross county lines, the allocation shall be determined based on the LEA in which the majority of the students are located.

DEFINITIONS:

- 1) Adjusted market value of taxable real property is the county's assessed taxable real property value, using the latest available data published by the Department of Revenue, divided by the county's sales assessment ration determined under G.S. 105-289(h)
- 2) Median household income for the most recent 12 months for which data is available as used in G.S.143B-437.08.
- 3) The effective tax rate is the actual county tax rate multiplied by the most recent annual sales assessment ratio.

SPECIAL PROVISIONS:

- 1) Allocation of salary supplements among teachers, instructional support and qualifying school administrators within each eligible local school administrative unit, including whether a qualifying teacher, instructional support or school administrator receives a salary supplement and the amount of the supplement provided to that person, shall be determined in the discretion of the local board of education or governing body of the eligible public school unit.
- 2) No individual salary supplement shall exceed the per-teacher funding amount awarded to that unit. This maximum does not include benefits.
- 3) Certified personnel eligible to receive supplemental funds from these funds:
 - a. Teachers
 - b. Instructional support
 - c. Assistant principal who are paid based on the teacher pay per G.S.115C-285(a)(8)
 - d. Principal who are paid based on the teacher or assistant principal pay per G.S.115C-285(a)(8a)
- 4) Charter schools, lab schools, and regional schools located in eligible counties shall receive a per pupil share in their respective PRCs.
PSUs receiving funding are encouraged to provide salary supplements to teachers and instructional support personnel.

- 5) A LEA that receives funds under this program shall use the funds to supplement and not supplant non-State funds provided for salary supplements for teachers and qualifying administrators.

For Allotments distributed in the fiscal year 2024-25, A LEA is considered to have supplanted non-State funds if the amount of non-State funds expended by the unit for salary supplements was less than 95% of the maintenance of effort amount for the LEA. The maintenance of effort calculation shall be in accordance with SL2023-134 section 7A.4(b) and SL 2024-39, section 1.7B

In the event a LEA has supplanted non-State funds and has not remedied the deficiency, the LEA shall receive no allocation in the next fiscal year. A LEA shall have remedied the deficiency if they can show that they distributed from non state funds the amount of the prior year deficiency to qualified individuals in the current year. The method of distribution of these funds and the qualified individuals shall be consistent with the local board approved distribution of the current year for Supplemental Funds for Teacher Compensation (0071).

- 6) All supplements are considered compensation for retirement contribution purposes.

CAREER TECHNICAL EDUCATION – CREDENTIAL PROGRAM SUPPORT (PRC 0083)

PROGRAM REPORT CODE: [0083](#)
 UNIFORM CHART OF ACCOUNTS CODE: 1-5812X-[0083-XXX](#)
 STATUTORY REFERENCE: [GS 115C-156.2](#)

TYPE: Dollars
 TERM: July 1 - June 30
 PURPOSE: PSU funding to provide students an opportunity to obtain industry-recognized credentials
 ELIGIBILITY: A PSU who has students who are enrolled in career and technical education courses.
 FORMULA: Funding shall be distributed based on the PSUs current year enrollment in courses that are approved in NC State Board of Education Policy SCOS-005 and Local Courses/Pathways approved in Federally required Local Applications that lead to a credential.
 • A preliminary allotment based on 30% of the previous year's funding will be provided to allow PSUs to procure credential licenses/materials pending final enrollment numbers being finalized.

SPECIAL PROVISION:

- 1) No ABC transfers are allowed out of this allotment category
- 2) DPI shall use state funds appropriated to pay for licenses included in the current statewide agreement, including NCCER and Microsoft/Certiport on behalf of the PSUs