

**Wake County Public School System
Superintendent's Proposed Budget 2017-18
Board of Education Work Session Q&A
April 18, 2017**

1. Page 3 of the request says:

Starting in 2017-18, the average class size for grades K-3 for the local education agency shall not exceed the funded ratio and an individual class shall not exceed three above the funded ratio.

Funded ratio is as follows:

K	1:18
1 st	1:16
2 nd	1:17
3 rd	1:17

The state did not approve additional funding for this requirement change. Although the class size legislation would require an additional 462 teachers, WCPSS staff is optimistic there will be a partial solution by the legislature; therefore, only half of the cost is included as a local request in the proposed budget. The budget includes a potential risk item for the other half of the cost, as well as facility costs that may be required for additional staff in schools.

a) The state says they have provided the funding for reduced class size... If we had music, art, and PE before the state started to provide additional funding to reduce class sizes in 2011, why would we need to cut those teachers now if we implemented the reduced class sizes?

The Superintendent's Proposed Budget does not recommend a cut of music, art, or physical education teachers.

The Wake County Public School System (WCPSS) estimates a total cost to fund additional elementary classroom teachers, *without eliminating* elementary art, music, and physical education, at 462 teachers and a cost of \$26 million. The Superintendent's Proposed Budget includes a request for half of that need, \$13 million, with hopes that the General Assembly will address this statewide.

WCPSS assigns months of employment allotted by the state for Classroom Teacher to schools for regular classroom teachers and for program enhancement or basic education program teachers in art, music, dance, drama, and physical education, and for instructional resource teachers. Many years ago, in the 1980's and 1990's, the allotments for classroom teacher, self-contained teachers, and program enhancement or basic education changed from individual allotments in separate program codes to individual allotments within one program code to a combined formula. Allotting resources for the special classes such as art, music, dance/drama, and physical education allows principals to provide teachers with a duty free period while providing instruction in areas of required curriculum. School districts in North Carolina have been utilizing the classroom teacher allotment formula to cover these categories of teachers since the funding formulas were merged.

b) If the funding provided to accomplish the reduced class size was not sufficient to staff the additional classes to meet the reduced class size, why was that not addressed at that time?

See Chapter 4 Regarding Class Size (<http://www.ncpublicschools.org/docs/fbs/accounting/manuals/sasa.pdf>)

The NCDPI School Attendance and Student Accounting Manual for 2017-18 and for previous years allows class size maximums at 1 to 21 LEA-wide in Grades K-3. The size of an individual class may exceed the LEA-wide ratio by three students (1 to 24) in Grades K-3 so long as the LEA-wide average class size maximums are not exceeded.

School districts in NC are following these procedures and are able to meet these class size requirements when using the Classroom Teacher allotments for regular classroom teacher and the specials of art, music, dance, drama, physical education, and instructional resources teachers. Therefore, there was nothing to be addressed as long as districts follow the procedures prescribed in the NCDPI School Attendance and Student Accounting Manual.

c) If the state of North Carolina has paid for the additional staffing for reduced class size, why would you need Wake County to pay for the same thing again?

As described in the previous two questions, WCPSS uses the classroom teacher allotment from the state for regular classroom teacher as well as art, music, dance, drama, physical education, and instructional resource teachers. This structure has been in place for many years from the time the state merged Program Enhancement/Basic Education Plan and Classroom Teacher allotment categories into one. WCPSS also follows the NCDPI School Attendance and Student Accounting Manual which allows a class size maximum at 1 to 21 LEA-wide in Grades K-3, and 1 to 24 in an individual K-3 classroom as long as the LEA average is maintained at 1 to 21 in grades K-3.

The change is effective for 2017-18, the average class size LEA-wide must be 1 to 18 in kindergarten, 1 to 16 in first grade, and 1 to 17 in second and third grades. Individual classes shall not exceed the allotment ratio by more than three students. This is significantly lower than the current allowances of 1 to 21 LEA-wide and 1 to 24 in individual classrooms.

The Superintendent's Proposed Budget includes a request of \$13 million for half of the estimated cost of the requirements effective July 1, 2017, with the hope that the General Assembly will address this statewide.

K-3 CLASS SIZE ALLOTMENT RATIOS

SECTION 8.33.(a) G.S. 115C-301(c) reads as rewritten:

"(c) **Maximum Class Size for Kindergarten Through Third Grade.** – The average class size for kindergarten through third grade in a local school administrative unit shall at no time exceed the funded allotment ratio of teachers to students in kindergarten through third grade. At the end of the second school month and for the remainder of the school year, the size of an individual class in kindergarten through third grade shall not exceed the allotment ratio by more than three students. The funded class size allotment ratio for kindergarten through third grade shall be as follows:

House Bill 1030

Session Law 2016-94

Page 35

- (1) For kindergarten, one teacher per 18 students.
- (2) For first grade, one teacher per 16 students.
- (3) For second grade, one teacher per 17 students.
- (4) For third grade, one teacher per 17 students.

In grades four through 12, local school administrative units shall have the maximum flexibility to use allotted teacher positions to maximize student achievement."

SECTION 8.33.(b) Notwithstanding G.S. 115C-301, as amended by this section, and any other provision of law, for the 2016-2017 school year, class size requirements in kindergarten through third grade shall remain unchanged. The class size requirements set forth in G.S. 115C-301 shall apply beginning with the 2017-2018 school year.

d) Were there other cuts or requirements from the state that prevented you from using those funds to meet the reduced class size objective? If so, what were they?

No. The state is not providing additional funds to school districts in North Carolina to meet the class size requirement at this time.

In the 1980's and 1990's, the state changed the allotments for classroom teacher, self-contained teachers, and program enhancement or basic education from individual allotments in separate program codes to individual allotments within one program code, and later to a combined formula. Allotting resources for the special classes such as art, music, dance/drama, and physical education allows principals to provide teachers with a duty free period while providing instruction in areas of required curriculum. Since the merging of the allotment formulas at the state level, school districts in North Carolina continue to utilize the classroom teacher allotment formula to cover classroom teacher as well as program enhancement or basic education program positions such as art, music, dance, drama, and physical education, as well as instructional resource teachers.

e) The North Carolina General Assembly (NCGA) provided the attached table to document the additional teaching positions the state is paying for to reduce class size. WCPSS says the impact is 460 teachers, NCGA shows they have provided about half. Did they pay WCPSS for the additional staff? Why do they calculate impact at half of WCPSS calculation of impact? Did the State provide funds to reduce class size? And if so, how much?

There was an article from Philip Price on WRAL on April 13.

<http://www.wral.com/philip-price-legislators-need-to-fully-fund-students-needs-not-search-for-non-existent-local-shortcomings/16641292/>

This portion of the article describes the history of classroom teacher formula adjustments. The statement at the bottom of this portion of the article is "the General Assembly increased classroom teacher funding in grades K-3 by \$131 million since FY 2011-12. However, during the same period, the legislature cut K-12 classroom teacher funding by \$286.4 million. The reality is that school districts were left with \$155 million less to hire more classroom teachers to meet the instructional needs of our students."

Money to Reduce Class Size

It is important to note that overall state funding has never recovered to the pre-Recession (FY 2008-09) level. While the General Assembly has addressed K-3 classroom teaching funding in recent years, the full impact has actually been a cut in overall K-12 classroom teacher spending:

FY 2011-12: Reduced the allotment ratio in grades 1-3 from 1:18 to 1:17. The legislation (SL 2011-0145) also called for an effort to lower class size to 1:15. The same year (2011), local school districts were required to return \$429 million in what was termed a "negative allotment" (legislature speak for giving money in one hand and taking it back with the other) called the "Local Education Agency Adjustment." So, even though local school districts received \$62 million for more teachers in grades 1-3, they also had their overall teacher funding cut by almost \$429 million – which meant spreading the teachers already hired for K-12 among more students. It would not be a very wise business move, if you were a school district, to hire new teachers while you were eliminating teaching positions to cover the hole in the budget.

FY 2012-13: No additional state funding was made to K-3 classroom teachers; but the local schools budget cuts continued as local school districts were required to "return" \$359.7 million of their state funding.

FY 2013-14: Finally, the General Assembly eliminated the so-called "LEA Adjustment" that reduced the state funds local schools received. To do this however, the legislature had to either provide additional funding or reduce the allotment of teachers to school districts by allowing more students per classroom. SL 2013-360 cut \$286.4 million in K-12 classroom teacher funding by increasing the class size ratios. Specifically, in K-3, the ratio was increased by 1 in each grade.

FY 2014-15: The General Assembly appropriated \$42 million to reduce class size in grades K-1 to the FY 2012-13 allotment levels.

FY 2015-16: No additional money was provided in the teacher allotment ratios.

FY 2016-17: The General Assembly appropriated \$27 million to reduce class size in grade 1 to 1:16 (a reduction of 1).

As detailed above, the General Assembly increased classroom teacher funding in grades K-3 by \$131 million since FY 2011-12. However, during the same period, the legislature cut K-12 classroom teacher funding by \$286.4 million. The reality is that school districts were left with \$155 million less to hire more classroom teachers to meet the instructional needs of our students.

Here are the state allotment formulas for classroom teacher during this time period. Note that there was a negative allotment reversion required by all districts in NC in 2011-12 and 2012-13 that is not reflected in the formulas for those years.

Category	2017-18 - Planning	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Kindergarten	1 per 18 in ADM	1 per 18 in ADM	1 per 18 in ADM	1 per 18 in ADM	1 per 19 in ADM	1 per 18 in ADM	1 per 18 in ADM
Grade 1	1 per 16 in ADM	1 per 16 in ADM	1 per 17 in ADM	1 per 17 in ADM	1 per 18 in ADM	1 per 17 in ADM	1 per 17 in ADM
Grades 2-3	1 per 17 in ADM	1 per 17 in ADM	1 per 17 in ADM	1 per 17 in ADM	1 per 18 in ADM	1 per 17 in ADM	1 per 17 in ADM
Grades 4-6	1 per 24 in ADM	1 per 24 in ADM	1 per 24 in ADM	1 per 24 in ADM	1 per 24 in ADM	1 per 22 in ADM	1 per 22 in ADM
Grades 7-8	1 per 23 in ADM	1 per 23 in ADM	1 per 23 in ADM	1 per 23 in ADM	1 per 23 in ADM	1 per 21 in ADM	1 per 21 in ADM
Grade 9	1 per 26.5 in ADM	1 per 26.5 in ADM	1 per 26.5 in ADM	1 per 26.5 in ADM	1 per 26.5 in ADM	1 per 24.5 in ADM	1 per 24.5 in ADM
Grades 10-12	1 per 29 in ADM	1 per 29 in ADM	1 per 29 in ADM	1 per 29 in ADM	1 per 29 in ADM	1 per 26.64 in ADM	1 per 26.64 in ADM

f) Can WCPSS hire the 460 teachers required to meet the reduced class size in the 2017-2018 fiscal year? If not what is the number you can hire and when can we meet the target goal of reduced class size?

Yes, we have qualified candidates to successfully fill all vacant or new positions; however, candidates in the applicant pool would have to be properly vetted.

g) If you can hire the additional teachers now, how will you provide the required classrooms? What are the possible options? Will you have to add more modular, and if so how many and at what cost? Will you "double bunk" 2 classrooms into one? Will you have to move classrooms into others spaces not normally used for classrooms? Will you need to reassign to find the available classroom capacity? (I am concerned that any of these actions, or a combination of several of these, if required to be part of the plan may not be appreciated by parents and not something they would consider remarkable or worthy of another tax increase.)

All available options would have to be considered and probably used. Decisions would be driven by the specific situation for each school. There are a multitude of variables involved:

- Number of existing classrooms (temp and perm) available with ground egress for Pre-K thru 1st grade.
- Size of available classrooms able to serve up to 34 students with two teachers.
- Number of classrooms available from 4th and 5th grade that could be used for 2nd and 3rd grade shortfalls.
- Use of temporary classrooms depends on available space on site, town ordinances, the North Carolina Department of Transportation (NCDOT) road requirements, restroom access, security, available moving firms for relocating the classrooms (very limited), etc.
- Relocation of a temporary classroom will cost at least \$65K (assumes flat space and no additional municipal or NCDOT improvements) and approximately a year for design, permitting, moving and setup. 150 relocations would cost at least \$9.8 M and would take several years to accomplish.

Exact numbers are influenced by the above and other variables. A rough estimate is there are 66 schools that are short 286 classrooms. The remaining schools are estimated to have sufficient temporary classrooms if the variables above are met.

h) Are the additional classrooms in the 7 year capital plan? What year are they available to you?

No, the additional classrooms are not in the CIP. All additional classrooms in the current plan are projected to match enrollment growth at the current class size. If flexibility is not allowed, then the plan for new seats will need to be increased to match class size and enrollment growth projections.

i) What is the total impact on operating budget to meet the class size reductions, and how was it calculated.

See page 121 of the Superintendent's Proposed Budget. This shows the calculation of the cost for additional teachers. The budget includes a request for funding for half of the teachers needed because we are optimistic there will be a solution or partial solution from the General Assembly. For this reason, the superintendent did not include total costs in his budget. There is also an estimated cost of \$531K for laptops and projectors if WCPSS were to add an additional 462 teachers.

Teacher - Regular Classroom - Class Size Legislative Requirement

Area Schools

Description The 2016-17 state budget requires that school districts bring their average class sizes in grades K-3 in line with the state's prescribed teacher-student ratio, which varies by grade. Beginning in 2017-18, this will directly impact the Wake County Public School System (WCPSS) elementary school formula used for calculating teacher Months of Employment (MOE).

Funding Formulas Current Formula: Elementary School: Integer((Kindergarten/21.27 + (Grade 1)/19.27 + (Grade 2 + Grade 3)/20.27 + (MYR Grade 4 + MYR Grade 5)/24.27 + (Trad Grade 4 + Trad Grade 5)/26.27 + (SYR Grade 4 + SYR Grade 5)/26.27)*10)

New Formula: Elementary School: Integer((Kindergarten/18 + (Grade 1)/16 + (Grade 2 + Grade 3)/17 + (MYR Grade 4 + MYR Grade 5)/24.27 + (Trad Grade 4 + Trad Grade 5)/26.27 + (SYR Grade 4 + SYR Grade 5)/26.27)*10)

Calculations

2017-18 MOE Needed with Current Formula	
Projected MOE	66,373
Less MOE Allotted in 2016-17	<u>-65,000</u>
Equals Additional MOE Needed for 2017-18	1,373
 2017-18 MOE Needed with New Formula	
Projected MOE	70,995
Less MOE Allotted in 2016-17	<u>-65,000</u>
Equals Additional MOE Needed for 2017-18	5,995
 MOE Needed with New Formula	5,995
Less MOE Needed for Current Formula	<u>-1,373</u>
Equals Additional MOE Needed for 2017-18	4,622

Proposed Funding Although the class size legislation would require an additional 462 teachers, WCPSS staff is optimistic there will be a partial solution by the legislature; therefore, only half of the cost is included as a request in the proposed budget.

Strategic Objective Learning & Teaching

Budget Adjustments

Description	MOE	State	Local	Total
Current Budget	65,000.00	\$ 348,426,216	\$ 108,643,607	\$ 457,069,823
Budget Adjustments:				
Teachers Local MOE	2,311.00	\$	\$ 13,174,000	\$ 13,174,000
Total	2,311.00	\$ -	\$ 13,174,000	\$ 13,174,000
Proposed Budget	67,311.00	\$ 348,426,216	\$ 121,817,607	\$ 470,243,823

2. Page 3 - Regarding state funding of growth, page 3 of the request states;

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. The state's final 2014-15 budget changed the definition of Continuation Budget. Student growth is no longer included in the state's Continuation Budget. School districts do not know if they will receive an increase in funding for student growth until the state budget is adopted.

a) What is the additional amount included in this request for student growth?

See page 14 and 17 of the Superintendent's Proposed Budget.

	State Sources	Local Sources	Federal Sources	Total
GROWTH	\$ 16,127,732	\$ 8,870,908	\$ 89,495	\$ 25,088,135
New schools, increase in student membership, square footage, and acreage.				

Case Name	Case Page	State Sources	Local Sources	Federal Sources	Total
GROWTH					
SCHOOLS					
Teachers - Regular Classroom	65	\$ 8,169,739	\$ 1,845,048	\$ -	\$ 10,014,787
Teaching Assistants - Regular Classroom	66	(211,613)	420,412	-	208,799
Instructional Supplies	67	87,232	73,712	-	160,944
New Schools and School Changes	68	3,275,842	3,945,084	-	7,220,926
New Schools - Early Hires, Task Assignment, and Staff Development Dollars	75	-	(111,033)	-	(111,033)
Textbooks State Funds	76	90,417	-	-	90,417
ACADEMICS					
Career and Technical Education (CTE) Program Support	77	32,340	-	-	32,340
Drivers Education	78	(30,706)	-	-	(30,706)
GradPoint Summer School Months of Employment (MOE)	79	2,524	400	-	2,924
Limited English Proficiency (LEP) MOE	80	105,146	130,401	-	235,547
Magnet Early College Program Fees	81	-	16,003	-	16,003
Middle School Academics Teachers	82	-	251,388	-	251,388
SPECIAL EDUCATION					
Audiologists	83	172,146	30,075	-	202,221
Occupational Therapists	84	277,773	5,105	-	282,878
Physical Therapists	86	77,941	310	-	78,251
Special Education Teachers and Teaching Assistants	87	2,215,828	1,708,231	-	3,924,059
Speech-Language Pathologists	89	800,442	126,803	-	927,245
STUDENT SERVICES					
Advanced Placement (AP) Registration	91	-	5,000	-	5,000
Preschool Special Education Teachers and Teaching Assistants	92	684,304	38,221	89,495	812,020
School Counselors	94	378,377	63,065	-	441,442
CHIEF OF STAFF AND STRATEGIC PLANNING					
Academically and Intellectually Gifted (AIG) CogAT/IOWA Assessment Scanning	96	-	7,262	-	7,262
Benchmark Assessments for Elementary Support Model Schools	97	-	32,085	-	32,085
COMMUNICATIONS					
Schoolwires Content Management System	98	-	8,500	-	8,500
TRANSPORTATION					
Exceptional Children (EC) Operations	99	-	274,838	-	274,838
GROWTH TOTAL		\$ 16,127,732	\$ 8,870,908	\$ 89,495	\$ 25,088,135

b) Has this state provided this growth funding in recent years?

Yes. The Superintendent's Proposed Budget assumes they will continue to do so.

c) What is the likelihood they will this year?

We do not know. The Superintendent's Proposed Budget assumes they will continue to do so. We have also listed this issue as a potential risk since there is no guarantee. See page 9 of the Superintendent's Proposed Budget.

Continuation Budget Funding - Student Growth

Senate Bill 744, Section 6.4(b) legislated in the state's final 2014-15 budget, repealed the previous definition of Continuation Budget and replaced it with a new definition. Student growth is no longer 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. 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.

d) If they don't, what is the impact?

The impact would be \$16 million if the state does not fund growth for 2017-18 for WCPSS. See page 14 and 17 of the Superintendent's Proposed Budget.

	State Sources	Local Sources	Federal Sources	Total
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GROWTH \$ 16,127,732 \$ 8,870,908 \$ 89,495 \$ 25,088,135

New schools, increase in student membership, square footage, and acreage.

3. Page 4 –

- **Transfers From→To table shift \$ for specified needs, i.e. LEP, AIG, ... significantly to personnel. I would like to confirm that the personnel hired are specifically to meet the needs of the students targeted by the initial intent of the funds.**
- **Regarding transfers, the budget documented page 4 states;**

TRANSFERS

Budget managers transfer resources between allotment categories in accordance with General Statute 115C-105.25. Transfers occur throughout the year and must be approved by NCDPI.

In 2016, the State Board of Education adopted a Restart Model intended to reform recurring low-performing schools. WCPSS currently has two schools participating in the Restart Model and will add an additional 10 schools in 2017-18. WCPSS is required to transfer an amount equal to the state average per pupil allocation for the local education agency for the average daily membership of the school into a restricted program called Restart Schools.

The chart below shows transfers between categories, including Restart Schools, in 2016-17 at the time this document was prepared and transfers included in the Superintendent's Proposed Budget for 2017-18:

Transfers From	2016-17	2017-18
Alternative Programs and Schools/At-Risk Student Services	\$ 17,528,987	\$ 17,528,987
Limited English Proficiency	8,985,765	8,985,765
Academically or Intellectually Gifted	8,326,822	8,326,822
Classroom Teachers (Restart Schools)	6,094,140	6,482,191
State Textbook Account	7,224,570	6,090,344
Classroom Materials/Instructional Supplies and Equipment	4,842,583	4,842,583
Disadvantaged Student Supplemental Funding	4,445,112	4,445,112
Career and Technical Education - Months of Employment	1,272,249	1,272,249
Teacher Assistants (Restart Schools)	685,330	705,890
Total:	\$ 59,405,558	\$ 58,679,943

Transfers To	2016-17	2017-18
Dollars for Certified Personnel	\$ 38,654,224	\$ 37,730,203
Non-Instructional Support Personnel	13,158,246	12,948,041
Restart Schools	6,779,470	7,188,081
Career and Technical Education - Program Support Funds	813,618	813,618
Total:	\$ 59,405,558	\$ 58,679,943

Please clarify if this money was transferred in 16-17 why is it also transferred in 17-18? Are you unfunding the items transferred from? Are you using those funds to add to the transferred to category? This \$59 million move is not clear to me, as it seems the dollars transferred to, category is just a subset of a much larger account.

WCPSS receives funds from the North Carolina Department of Public Instruction (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 (CTE) 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 experienced 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.

School districts manage resources to get the maximum benefit from state, local, and federal funding. Managing resources increases overall funding availability to implement new and better strategies for accomplishing the strategic plan.

Districts learn what can and cannot be funded from each state allotment from the NCDPI Allotment Policy Manual, NCDPI Uniform Chart of Accounts, and flexibility allowed within General Statute 115C-105.25.

School districts maximize utilization of position allotments by:

- Paying the highest eligible salaries from the position allotments
- Ensuring the state is paying all or the vast majority of non-allotted costs for employees

School districts manage the total operating budget resources available to them. Although state funds are the largest funding source, it is one piece of a larger puzzle with multiple categories of funding from state, local, and federal sources that have different requirements, fiscal terms, carryover provisions, and spending limitations.

In order to manage these financial resources to the optimum benefit of the school district, schools districts apply many strategies. One of the most common strategies is to assign the most experienced teachers to the position allotment for Classroom Teacher in program report code (PRC) 001. So although the district may use the resources allotted for regular classroom teacher and art, music, dance/drama, physical education, and instructional resources teachers, those may not be the positions paid from that state allotment.

Districts will choose the most experienced teachers in every category.....regular education, Academically/Intellectually Gifted (AIG), special education, Limited English Proficiency (LEP), at-risk, remediation, etc. and assign those teachers to the PRC 001 Classroom Teacher allotment.

At WCPSS we monitor this daily. As we hire experienced staff, we assign their position to the state position allotment and move the position of a less experienced teacher to other funding. Teachers may obtain additional licenses, years on licenses, or national board status during the year that may affect their pay. Because this is monitored daily, the particular positions assigned to state funding will vary by type as the year progresses.

There are other position allotments for School-Based Administrator, Instructional Support, and CTE that school districts manage similarly. School districts will assign the most experienced psychologists, speech therapists, counselors, social workers, media specialists, etc. to state funds for Instructional Support, and use local and federal sources for the less experienced staff.

Because school districts assign their most expensive AIG, LEP, and at-risk/remediation teachers to the position allotment, they will “transfer” the dollar allotment for those categories from AIG, LEP, and at-risk/remediation to dollar allotment for non-instructional support and certified staff. This allows the district to move other employees from local to state funding. Districts will move any staff that earn longevity that align with the state chart of accounts to state funding in those categories. The state will pay the dollar cost for any longevity pay, annual leave payout, bonus leave payout, bonuses, disability, and worker’s compensation for those staff without impacting the other allotments to the school system. The state pays the actual cost in an unallotted category....meaning the state pays actual cost with no maximum. As school districts manage resources, it is advantageous to assign any staff with additional costs such as longevity, or with high risk for disability or workers’ compensation, or with a potential to resign and have annual or bonus leave payouts to state funding.

It is also advantageous to school districts to pay personnel from state funding wherever allowed, and to pay non-personnel costs from local funding. For example, NCDPI allots resources to each district in program 003 for non-instructional support. WCPSS uses this allotment to pay school-based clerical staff, custodial staff, and central services support staff that earn longevity pay. WCPSS pays all contracted custodial support and sick leave substitute pay for teachers from local funds.

School financing is complex due to the multitude of funding sources financing a large system of schools, programs, and departments that function as businesses within the organization. External revenues sources allot resources to the school system. The superintendent within each system manages those resources within all of the restrictions and flexible allowances available. The superintendent allots resources to schools and departments using school district formulas. Principals and departmental budget managers have site-based flexibility to use those resources as allotted, or to convert them and use them differently within flexibility allowed in state and federal law, and local policy. They must manage resources effectively to accomplish the spending plan at each site in accordance with that school or departments’ objectives that in turn support the strategic plan of the system.

In most cases, WCPSS hires personnel specifically to meet the needs of the students targeted by the initial intent of the funds.

4. Page 5 - Has the local % share of the totals budget shifted to or from local support, in the last decade? If so what has been the shift in share? Who saw the offset share change? On local funding the request says:

LOCAL FUNDING

Local sources support 34 percent of the overall operating budget. The primary local source of funds is county appropriation. Others include tuition and fees, child nutrition sales revenue, fund balance appropriation, indirect cost, fines and forfeitures, interest earned, grants, donations, and rebates.

Local Revenue		Local Budget 34% of the Operating Budget		
County Appropriation	\$ 466,541,821	Salaries and Benefits	\$ 363,850,634	69%
Tuition and Fees	24,640,552	Purchased Services	87,564,564	17%
Child Nutrition Sales Revenue	17,960,658	Supplies and Materials	44,662,100	8%
Local Sources - Unrestricted	6,699,501	Capital Outlay	1,824,188	<1%
Local Sources - Restricted	7,335,162	Transfers to Charter Schools	32,216,563	6%
Special Revenue Services	6,940,355	Total	\$ 530,118,049	100%
Total	\$ 530,118,049			

The Wake County Board of Commissioners ultimately determines the amount of county appropriation for the school system. The superintendent recommends a county appropriation of \$466.5 million for 2017-18, which is an increase of \$56.6 million.

	2016-17	Proposed 2017-18	Difference	Percent Increase
County Appropriation				
Current Expense	\$ 407,871,457	\$ 464,451,138	\$ 56,579,681	
Capital Outlay	\$ 1,150,969	\$ 1,191,669	\$ 40,700	
Crossroads Lease	\$ 888,574	\$ 899,014	\$ 10,440	
	<u>\$ 409,911,000</u>	<u>\$ 466,541,821</u>	<u>\$ 56,630,821</u>	14%
Student Membership				
WCPSS	159,549	161,757	2,208	1%
Charter Schools	10,814	13,349 ¹	2,535	23%
	<u>170,363</u>	<u>175,106</u>	<u>4,743</u>	3%
Allocation Per Student	\$ 2,406	\$ 2,664	\$ 258	11%

¹Estimated 12,286 Wake students in existing charter schools plus 1,063 students in two new charter schools opening in 2017-18.

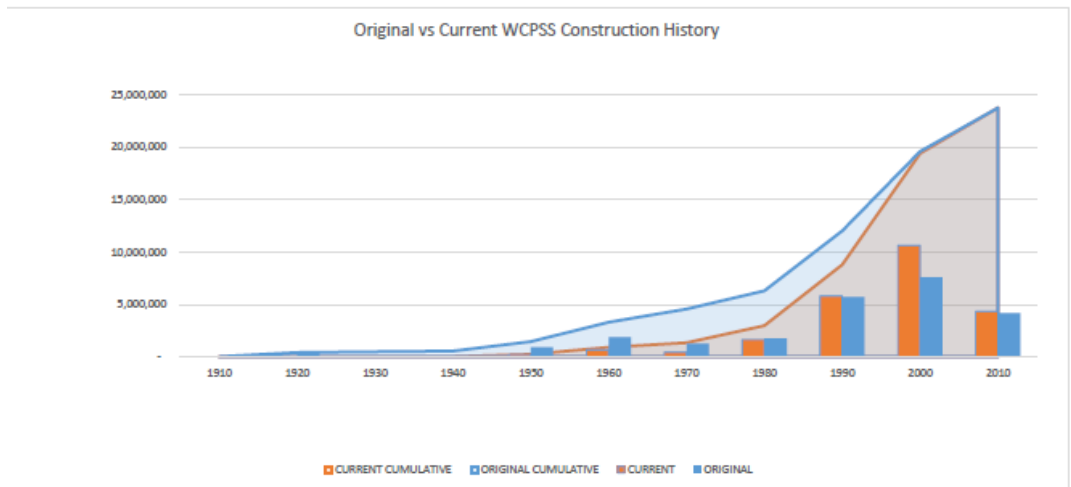
The chart below provides the breakdown of the operating budget by funding source for the past ten years. There were changes in state and federal during the economic downturn. This data shows the one-time federal dollars provided during the recession.

	State	County Appropriation	Other Local	Federal	Operating Budget
2016-17	59%	27%	6%	8%	100%
2015-16	58%	26%	7%	9%	100%
2014-15	59%	24%	8%	9%	100%
2013-14	59%	24%	7%	10%	100%
2012-13	58%	24%	8%	10%	100%
2011-12	57%	24%	6%	13%	100%
2010-11	54%	24%	5%	17%	100%
2009-10	55%	25%	6%	14%	100%
2008-09	60%	24%	7%	9%	100%
2007-08	60%	25%	8%	7%	100%

5. Page 12 - Would it be possible to break out square footage table into decades of age of building's square footage since the last major renovation. Generally older square footage is more costly to maintain and operate. Thus it would be useful to see the break-out by facility age.

CURRENT WCPSS CONSTRUCTION HISTORY												
	1910	1920	1930	1940	1950	1960	1970	1980	1990	2000	2010	TOTAL
Elem	-	-	-	16,829	120,597	292,253	49,108	638,802	2,752,924	4,378,288	1,512,488	9,761,290
Middle	-	-	-	-	18,072	84,224	78,719	338,913	1,558,188	2,548,376	950,817	5,577,309
High	-	-	-	-	66,468	276,515	310,949	338,004	1,471,065	3,372,851	1,776,937	7,612,789
Spec	-	-	-	-	11,829	-	-	-	18,306	163,160	-	193,295
Admin	-	-	-	-	7,212	7,533	3,074	315,854	7,419	172,070	107,822	620,984
CURRENT	-	-	-	16,829	224,178	660,525	441,850	1,631,573	5,807,902	10,634,745	4,348,064	23,765,667

ORIGINAL WCPSS CONSTRUCTION HISTORY												
	1910	1920	1930	1940	1950	1960	1970	1980	1990	2000	2010	TOTAL
Elem	22,943	248,160	-	27,257	317,196	647,624	245,222	644,261	2,785,984	3,354,116	1,462,002	9,754,766
Middle	-	20,597	-	20,468	382,004	407,393	309,953	412,052	1,446,659	1,633,848	944,335	5,577,309
High	-	100,051	79,692	-	158,048	791,121	702,157	352,553	1,468,354	2,314,174	1,653,163	7,619,313
Spec	-	-	-	-	43,275	-	-	-	18,306	131,714	-	193,295
Admin	-	20,915	-	-	10,286	7,533	-	328,307	7,419	144,362	102,162	620,984
ORIGINAL	22,943	389,723	79,692	47,725	910,809	1,853,671	1,257,332	1,737,173	5,726,722	7,578,214	4,161,662	23,765,667



6. Page 15 –

- a) Are the deferred items really needed and required to provide excellent public education, or are they a wish list that would be nice if there were unlimited resources available? The \$200 million dollar deferred list seems to come back each year, never allowing us to fully fund what is required for great public education. It seems to me to be hard to raise taxes 3 years in a row and still be looking at huge unfunded deferred needs. Is that realistic?

The total of deferred items is \$137.9 million. The deferred items are not a wish list. These are priorities that are deferred at this time pending funding. WCPSS may be able to fund some of the one-time costs during the year from special projects or one-time savings that may occur. Most of the requests are recurring in nature. These will remain on the deferred needs list until a recurring revenue stream is available. There are a few items on the deferred list that are priorities the district is phasing in over a multiple year period.

- b) Is the deferred needs \$200 million one time or ongoing?

See pages 15 and 16 of the Superintendent's Proposed Budget. There are separate columns for one-time costs. Of the \$137.9 million list, \$1.4 million are one-time costs.

7. Page 25 - All nine Board members were elected to a two-year term in 2016. All nine will be elected again in 2018.

We will replace the first paragraph on page 25 to align with the information on WCPSS's Internet site. It will not mention the terms.

8. Page 43 - 46 What is the revenue source? What is the purpose?

a) School Connectivity (pg. 43)

This is a state source. School connectivity pays the non-discounted portion of E-Rate. The purpose is to provide districtwide communication. See business case on page 159.

b) Community Schools (pg. 44)

This is a local source. The revenue source for Community Schools comes almost exclusively from community rentals of school space. The purpose is to provide a way for community groups to use school facilities at a price that covers the expenses of the rental. See business case on page 189.

c) Summer Camp (pg. 44)

This is a local source. The revenues are generated by student fees. Five/six of our schools offer a summer camp program and charge weekly tuition. The fees collected are used to pay the teachers/teacher assistants/staff that work the camp and for any other expenses associated with the camps. The camps are not revenue generating, although a few of the schools have built up a small carryover over the years. The schools can use any excess funds in a manner similar to before/after school - to replace or repair items that experience wear and tear.

d) Parents as Teachers Smart Start (pg. 46)

This is a local source. WCPSS applied for and received a grant from Smart Start to implement an evidence-based home visiting program. The program is called Parents as Teachers. The grant is given in three-year installments and WCPSS has applied and received this three-year grant for many cycles. This program is designed to provide home visits to parents of pre-k students, to build the capacity and understanding of parents in order to increase kindergarten readiness, health and wellness, and positive social emotional environments. See business case on page 185.

9. Page 49 - 50 Description of new positions indicated by budget increase?

See pages 57-61 for Changes in Staff with specific page number references to business cases.

a) Central Services Administrator (pg. 49)

- Page 153 Office of Equity Affairs Expansion – director
- Page 163 Title II Improving Teacher Quality – senior administrator
- Page 173 Triangle Community Foundation – administrator

b) Monitor (pg. 49)

- Page 99 Exceptional Children Operations – safety assistants

c) Office Support (pg. 49)

- Page 68 New School and School Changes – lead secretary, student information data manager, clerical assistant, bookkeeper, and receptionist positions at schools opening in 2017-18
- Page 148 Connections Alternative Middle School – lead secretary
- Page 150 Second Chance Online Resource for Education (SCORE) School – lead secretary and student information data manager

d) Administrative Specialist (Central Support) (pg. 49)

- No new positions. There were lapsed salaries in 2016-17 that were recouped as one-time savings.

e) Skilled Trades (pg. 50)

- Page 155 Facility Maintenance Technician
- Page 156 Integrated Pest Management Master Craftsman

f) Manager (pg. 50)

- Page 68 New School and School Changes – child nutrition managers at schools opening in 2017-18

g) Curriculum Development Pay (pg. 50)

- Curriculum development pay are stipends paid to instructional staff for work completed outside their employment term (during evening, weekend, track-out, or summer).

10. Page 51 –

a) How is the increase in utilities (electricity, natural gas, water and sewer) cost calculated?

Current average budget/square footage times additional square footage being added plus any systemwide rate increases from the utility companies.

b) Is there no propane gas?

Propane is included under Fuel for Facilities.

11. Page 52 –

a) Does “Mobile Communications” include anything other than cellular phones?

The budget for Mobile Communications includes a small amount for tablet support with the majority of the funding covering cellular phones.

b) Is “Security Monitoring” services covered by a different code?

Security monitoring is included in our contract security services.

c) What are the items covered by “Membership dues and fees”?

The majority of the memberships are system-wide such as American Association of School Administrators, NC School Boards Association, Central Carolina RESA, and International Baccalaureate.

d) What “assessments/Penalties” were paid/are anticipated to be paid?

Assessments and Penalties include NC Turnpike Authority for NC Quick Pass for school system vehicles, elevator inspections, and permits from other regulatory agencies.

12. Page 53 – What is “Fuel for Facilities”?

Fuel Oil and Propane

13. Page 66 –

a) What is the historic allocation of TAs, perhaps back to 2008?

NCDPI Allotment Formulas:

	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
027 Teaching Assistants							
Initial Allotment	\$ 38,556,312	\$ 38,289,326	\$ 38,628,269	\$ 46,986,432	\$ 57,090,632	\$ 54,309,527	\$ 53,629,830
Reduction for Charter Schools based on 1st month ADM	\$ (154,987)	\$ (98,115)	\$ (437,951)	\$ (133,198)	\$ (166,482)	\$ (120,085)	\$ (38,504)
LEA Reduction for Virtual Charters		\$ (29,556)	\$ -	\$ -	\$ -	\$ -	
LEA Adjustment for Charter Schools		\$ -	\$ 48,222	\$ 46,130	\$ 36,785	\$ 41,639	\$ 28,508
Higher of 1st or 2nd Month Adjustment		\$ (16,279)	\$ 163,679	\$ (323,286)	\$ (266,104)	\$ -	\$ (640,309)
LEA Adjustment/Discretionary Reduction		\$ -	\$ -	\$ -	\$ (20,035,700)	\$ (20,006,485)	\$ (11,410,653)
	\$ 38,401,325	\$ 38,145,376	\$ 38,402,219	\$ 46,576,078	\$ 36,659,131	\$ 34,224,596	\$ 41,568,872
	The number of classes is determined by a ratio of 1:21. K - 2 TAs per every 3 classes; Grades 1-2 - 1 TA for every 2 classes; and Grade 3 - 1 TA for every 3 classes. Allotted salary \$33,025	The number of classes is determined by a ratio of 1:21. K - 2 TAs per every 3 classes; Grades 1-2 - 1 TA for every 2 classes; and Grade 3 - 1 TA for every 3 classes. Allotted salary \$32,559	\$772.07 per K-3 ADM.	\$939.79 per K-3 ADM.	\$1,182.69 per K-3 ADM.	\$1,152.21 per K-3 ADM.	

b) What is needed?

If one teaching assistant were provided for each K-3 classroom and if the number of classrooms is determined by a ratio of 1:21, then WCPSS would need an additional 1,175 teaching assistants at 9.3 months of employment, or 10,927.50 months of employment at an estimated cost of \$35 million. If one teaching assistant were provided for each 4-5 classroom and if the number of classrooms is determined by a ratio of 1:21, then WCPSS would need 1,217 teaching assistants, or 11,318.10 months of employment at a cost of \$36 million.

c) The TA allotment is determined by a ratio of 1:21 ratio. Is this TA allotment factored into the new legislated class size mandates, or the HB-13 remedy? The TA impact has at least not been as publically discussed, but would pose an additional significant cost if no legislative fix is adopted.

The teaching assistant formula is separate from Classroom Teacher formula. The state has not factored it into the new legislated class size mandates or House Bill 13. If WCPSS must comply with class size mandates July 1, the ratio of TAs per K-3 classroom will be reduced.

14. Page 67 –

- **The combined state and local funding for instructional supplies is \$68 per student. That lack of support is why parents have to spend so much on their children’s instructional supplies, and supplies contributed to the classroom, thus creating an equity issue for more and less wealthy families.**

- **How does the budget address the concern of classroom teachers not having enough resources to buy supplies required in their classroom?** <http://wunc.org/post/north-carolina-teachers-cover-classroom-costs-their-own-dime#stream/0>

- **Instructional supplies budgeted at \$68/ADM. What should it be?**

Total allocation per student in 2011-12 was at \$85/student. We have not calculated need, but a first step would be to restore funding to previous levels.

Category	2017-18 Estimated	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
State	\$ 30.05	30.05	28.38	28.38	28.58	33.16	32.82
Local	\$ 37.95	37.95	42.66	42.66	42.46	37.88	52.18
Total	\$ 68.00	\$ 68.00	\$ 71.04	\$ 71.04	\$ 71.04	\$ 71.04	\$ 85.00

15. Page 69 –

- a) **Bus Drivers – I understand this is a growth page. We were told during bell schedule discussion that the system needed 12 more drivers for Apex, six more for Forest Pines, etc. So, what is the level of growth positions needed versus included in super’s budget?**

- b) **Quantity of bus drivers does not align with values presented during calendar change discussions.**

The purpose of this business case is to show the number of additional bus driver positions needed if we were fully staffed with drivers today and to open the new schools in 17-18. The 18 drivers discussed during the bell schedule discussions related to the direct impact of not approving those two bell schedules. We feel the funding base for bus driver positions should be at roughly 878 positions (this number constantly changes slightly). The math:

760	current number of routes
83	drivers needed to eliminate 1st tier shared runs
7	drivers needed for Apex HS swing space (5 shared runs eliminated, 2 No Transport Zone buses)
<u>28</u>	drivers for new school openings 17-18 (current business case)
878	(850 currently funded, 28 business case request)

c) What would be an estimated cost of a two-tier bus system? What would that mean for high school start times?

The answer depends largely on the amount of time in between the two tier start times. For example, if we started the first tier at 7:30 and the second tier at 8:30, we would need to add roughly 400 buses. With more time in between tiers we should be able to bring this number down. The estimated cost would be roughly \$950,000 for drivers and \$30 million for new buses.

16. Page 69 - Extra Duty – Is this for “normal” extra duty functions found in all elementary schools?

These are the normal funds required to open new schools.

17. Page 70 – Career and Technical Education – Are all of these MOE state funded?

Yes

18. Page 70 – Utilities

a) How are utility estimates calculated? Total costs/total SF or do we expect energy savings with new construction?

Previous year total budget/total square footage applied to new square footage. This number provides an average that includes newer more efficient schools and older schools. Estimates for rate increases are provided by the utility company.

b) Lp and oil usage in new schools look questionable.

The business cases for new square footage used to be separated. The information is now consolidated under the one case. For purposes of allocating funding to utility budget codes the approach has been to show the distribution based on current percentages. Each of the categories fluctuate from year to year based on facility usage and weather conditions. Adjustments are made as needed. Since the 2009-2010 school year the district has added 2.6 million SF and utility funding is \$2 million less now.

19. Page 70 - Academic Teachers – what does this fund as compared to past state allocations? Trying to understand.

The state allots positions (months of employment) for Classroom Teachers. WCPSS uses this allotment to provide resources to schools for regular classroom teacher as well as art, music, dance, drama, physical education, and instructional resource teachers. For 2017-18, WCPSS estimates an additional 1,300 months of employment for Classroom Teacher. Based on the projected student membership by grade for 2017-18, these are applied in the Superintendent's Proposed Budget to classroom teacher on the business case on page 65. Therefore, the academics months for new schools are shown on the business case on page 70 as local. In actuality, after the school year begins, the experience level of teachers in any type of teacher position will determine which particular positions are assigned to state vs. local funding.

Here are the formulas WCPSS uses to distribute Academics months of employment to schools. WCPSS's Academics formula to schools has remained stable for several years.

Academics - Elementary (K-5)

The Elementary School Academics allotments are designed to support the elementary program by funding the following instructional positions:

- **IRT (Instructional Resource Teacher)** – Provides communication between the Elementary School Programs Department and their assigned school(s) and staff(s), supports the classroom teacher in implementing best instructional practices, coordinates and conducts staff development.
- **Health/P.E. (Physical Education) Teacher** – Provides direct instruction to implement the Standard Course of Study for K-5 physical education and health and coordinates physical education opportunities.
- **Music Teacher** – Instructs students in learning to read and notate music, sing and play instruments, as well as listen to, analyze, and evaluate music.

- **Art Teacher** – Provides fundamental visual arts processes for creating, appreciating, and responding to art.

Visual art requires a dedicated instructional space sufficient for creating art and clean-up (water). Music requires a dedicated instructional space to support singing, instrument playing, and movement.

Allotments may **only** be used to hire instructional personnel to support the instructional program. Priority for the approval of the use of these months is for personnel that provide direct instruction.

Formula: The months of employment are allotted on the formula of 1 month of employment to 14.32 students. Total includes opening two new schools. If months are available, assistance will be given to small YR and traditional schools. Specialists should be scheduled for 45 minute periods with 10 minutes between classes for materials preparation. Classes may be shortened to 40 minutes for kindergarten and may be lengthened to 50 minutes for 5th grade students. The optimum number of classes per week for visual arts, music, and PE teachers is 27 and should be no more than 30. This provides room in the schedule for curriculum integration and school-wide projects (e.g. performances, art displays, fitness testing).

IRT - Traditional calendar elementary schools use 5 MOE of the allotment for the IRT position and year-round calendar elementary schools use 6 MOE of the allotment for the IRT position. There are a finite number of positions to be distributed over a growing student population. Initial allotments are based on projected student numbers. Schools must reconcile allotments on the 10th day.

Academics - Middle School (6-8)

The Middle School Academics allotments are designed to support the middle school program by funding the following positions:

Instructional Resource Teacher (IRT): IRTs provide communication between the office of Middle School Programs and the middle schools. They support the classroom teacher in implementing best instructional practices. IRTs also coordinate and conduct staff development. They report to and are evaluated by the middle school principal.

Arts: Typically, these positions include dance, instrumental music, and/or band.

Formula: 1 MOE: 50 students enrolled in Grades 6-8 (rounded-down). +2 additional MOE for each year-round school. After applying the formula, small schools may be able to receive additional MOE if enrollment is 650 or under. Above formula allotments for Hilburn (2 MOE), Wake Young Women’s Academy (3 MOE), and Wake Young Men’s Academy (3 MOE). Traditional calendar and modified calendar middle schools use 5 MOE of the allotment for the IRT position. Year-round calendar middle schools use 6 MOE of the allotment for the IRT position. This allotment will be reconciled based on 10th day of school enrollment.

Academics - High School (9-12)

The High School Academics allotments are designed to support the high school program by funding school-based positions in the Arts. MOE are allocated to support grandfathered programs. A standard allotment of 5 MOE is requested for every new traditional high school.

20. Page 70 - Instrument Repair - how much is actually needed? \$1,000 per school/years seems inadequate.

We have not researched the actual need for instrument repair. We do know that the need varies based on the average age of an instrument, so older schools likely have more older instruments in need of repair. Additionally, some schools may have parent booster organizations (high school) that support this need, but many schools do not.

21. Page 76 - Textbooks – Do we have an estimated cost for textbooks and digital techbooks to fully support K-12 instructional resources?

There is a deferred case for \$4 million on page 15. An increase of \$14-19 million would yield an annual recurring budget of \$20-25 million to allow all content areas to be placed on a 4-5 year rotation for adoption of textbooks and to fund annual recurring costs of supplementary materials/consumables.

22. **Page 78 - The assumption of decreased ADM for 9th graders, the apparent basis for the Drivers Ed allotment is curious based on the projection numbers provided to the Board in a previous presentation indicating a 9th grade population of**

2016	2017	2018	2019	2010
13,366	13,717	13,517	14,199	15,108

I recognize the value is for the appropriation is for WCPSS, Charter and Private. But other enrollment projections suggested growth in all sectors. Is the reduction here justified?

Yes, the calculation included the private, charter, and home school numbers. We also track historical participation and use that to project the budget.

23. **Page 79 - GradPoint – Please explain the outcomes expected from this investment.**

Gradpoint provides intervention and remediation services for identified students to complete requirements for graduation. Gradpoint provides opportunities for students to 1) retake courses in which they did not receive a passing grade, 2) take courses required for graduation that may not be otherwise available to the student, and 3) receive additional support for courses in which they are having difficulty. A certified teacher provides management for the program and support for the students. Our primary customers are seniors who need a credit to graduate. There is a state requirement that we provide this course at no cost to these students. At Risk Funds (PRC 069) currently covers this cost along with local teacher supplement.

24. **Page 80 –**

- a) **It is remarkable to me that each ESL teacher has on average 70 to 110 LEP students. It is amazing they can provide the extent of individual attention they do given such extreme ratios.**

Agree that the ratios need to be addressed. See the response to the next question about this case.

- b) **LEP – is this level of funding sufficient for students to become proficient English readers? What funding level would be needed to assure adequate vocabulary acquisition to succeed?**

We have not determined a dollar amount of preparation of all teachers of English Learners (ELs) to ensure ELs' access core instruction, and the partner need for additional LEP teacher MOE. It is a "strand" that cuts across MTSS, Literacy, Academics, Counseling, Spec Ed, and Intervention. ESL Teachers and Title III program components are designed to support district and school structures while addressing English learners need to learn the academic language of schooling while simultaneously achieving academically, which includes but is much more complicated than vocabulary acquisition.

We continue to focus on teaching academic language students need to fully participate in rigorous learning experiences, assessing and documenting second language development, and collaborating across departments to build capacity of all teachers of ELs.

In addition to ESL services, WCPSS schools provide language supports/services to ensure ELs have access to grade level instruction in all areas during the school day. Strategic scheduling and professional learning opportunities for teachers of ELs, focused on helping teachers facilitate meaningful interaction for frequent language practice (that reveals the thinking behind learning), support this schoolwide approach.

25. **Page 82 - 1 MOE:50 students to cover an IRT and the arts teachers, means that a full time teacher (10 months contract) is expected to serve more than 500 students. That is 5-100 student bands, choruses, or dance classes per teacher. Clearly this does not provide all children with even a modest exposure to these disciplines.**

This allocation supplements the ADM formula. Schools also use MOE from the ADM formula to fund these positions.

26. **Page 83 - It appears there will still be a gap between formula and actual. Options?**

Caseloads will remain higher than we would like. If needed, contractors can be used.

27. Page 85 - I see this is counterpoint to 104 MOE on the Deferred list. True?

Yes, the request is for 38.49, the need is 142.55 - difference of 104 on the Deferred Needs list.

28. Page 85 – 90 and 93

- **The request for a State allotment of additional occupational therapist (OT) positions...is this a guaranteed allotment? Or a request to DPI? If it is not provided by the State, then will this become a Local request? Alternatively, if this is a formula allotment from the State, then why did we get so far behind?**
- **These same question of State allotment or ? must also be asked for PT (p. 86), Spec Ed. (p. 88 & 93) and Speech Lang. Path. (p. 90) positions.**
- **Page 87 indicates that NCDPI allocates 12.5% of ADM is allocated \$3985.24 for special needs services. On p. 89 it is stated that 13% of WCPSS students receive spec ed. services (13.1% for 2016-17 based on the numbers on p. 11). That 0.5% difference is about 800 students, which would imply the need to make up \$3.2 million (800 x \$3985) from somewhere. Or are we forced to absorb this because of the size of WCPSS?**

State funding for Special Education teachers, OTs, PTs, and Speech Language Pathologists flows to the district as combined funding. Regardless of allotment formulas, funding for per student funding in special education has remained the same since 1996. This of course, does not take into account the increased number of students, increased need for staffing given the complexity of a large number of students served in WCPSS or increases in salary. Additional funding in local is requested when state and federal funds do not cover growth in students and programming.

29. Page 94 –

- a) Counselors – is there any opportunity to adjust the allocation based on level of need in the building?**

Examining the level of need in a building will be incorporated. Staff is working on an acuity model, reviewing the allocation of current resources and how to allocate additional resources that may be received.

- b) On an initial read it is confusing that the state provides 1:218.55 positions for certified instructional personnel..."which must first be used for counselors, then for social workers and other instructional support..." and then one observes that our counselor to student ratio's far exceed the 1:218.55 number. One observes this ratio again on p. 149 with the business case for additional counselors and other instructional support. If the State allots the 1:218.55 ratio, then we shouldn't need the almost \$10 million ask for this new business case. I believe it would be helpful to provide some data indicating what all positions the 1:218.55 allotment is being required to cover to highlight the deficit that we are seeking to make-up to reach national counselor/social worker norms with our new Local ask.**

This allotment is used for counselors, social workers, locally funded nurses, and all media specialist positions.

30. Page 97 –

- a) I have a sense from parents and teachers that there is an excess of assessment, that detracts from learning and teaching. Thus, before expanding this quarterly benchmark assessment for ESM schools, do we have strong evidence that this assessment provides greater value than say the same \$ invested in richer hand-on learning resources, for example?**

We are not "adding" more assessments - that's just money for printing the test booklets. Last year we forgot to budget for that and had to find the money elsewhere. So it's not any different in terms of number of assessments from what we had last year.

- b) The growth for this item is over 100%, enrollment growth should not be over 100%.**

This is money for printing the test booklets. Last year we forgot to budget for that and had to find the money elsewhere. This is why the growth is 100 percent of the cost.

31. Page 98 and 107 –

- a) How do the Schoolwires and Intranet business cases relate? Much of the language in the two business cases seems to be the same.**

Schoolwires is the software we use for public internet access that places all schools and the district on the same web platform. The intranet business case funds a secure internal web site that serves only employees.

- b) Page 98 - Is this a software purchase? Is this an ongoing annual subscription?**

Schoolwires is a subscription service that places all schools and the district on the same platform. It greatly improves the security and reliability of school web sites throughout the district.

32. Page 99 - Are EC Transportation contractors paid additional funds for picking up the safety assistants required for transporting special needs children?

No. Per the contract, vendors are required to pick up the safety assistant when a safety assistant is required for a child at no additional costs to WCPSS.

33. Page 100 - What state funding is provided for K-2 Literacy Coaches?

The state does not provided designated funding for Literacy Coaches, but there is flexibility to use the teacher allotment for this purpose. This flexibility will be restricted with the changes in class size. Current funding is primarily through special education funding designated for Early Intervention.

34. Page 101 - While I strongly support the NWCCA, it is important to consider the cost associated with small school models. Here we are informed of the need of 40 MOE or ~4 teachers to support electives, plus 10 MOE ~1 teacher for PBL in addition to the regular allotment. Given the regular allotment of 1 teacher: 27.47 HS students (p. 65), this means the 400 student school requires 34% more teachers than a larger school receiving the regular allotment.

This allotment is front loaded as the school grows. It will be reviewed as student enrollment increases to determine if this allotment can be redirected to the ADM allotment. That being said, it is correct that the Cooperative Innovative High Schools have additional costs because of their size and programming.

35. Page 103 –

- a) Why are the same number of MOE being shifted from the Federal magnet grant to local dollars coming in \$213,319 lower cost?**

This is because we budget local based on the average salary. However, when we assign teachers to state-funded positions, higher paid teachers are placed in the state positions. The differential is what we were actually paying when using Magnet Grant funds, versus budgeting on the average salary moving forward.

- b) Did these positions exist prior to federal grant (2014)?**

These positions did not exist prior to the grant. The grant allows us to include some positions, but most of the grant funding goes to programming, training, supplies, and materials. A few positions will be included in the grant proposal, with the understanding that when the grant ends, alternative funding will need to be used to continue the positions. Only a portion of the grant positions funded by the grant are being requested.

36. Page 109 - I was struck by the information in the Leases business case by the magnitude of \$ that we pay in Wake County property taxes. What is our total WC property tax bill? And is this something we should negotiate out of the budget since WCPSS paying WC only to have WC fund WCPSS creates administrative cost that would be saved by simply agreeing that this property tax part of the budget were neither assessed or appropriated.

WCPSS does not pay the taxes directly to Wake County. Taxes are assessed to the property owner. The property owner pays the taxes. It is standard practice on commercial leases to pass through the property taxes to the lessee.

WCo Real Property Taxes Related to Leases Paid by BOE					
Landlord	Site	Actual Taxes Paid FY 2016	Estimated Taxes Due FY 2017	Taxes included in annual rent payment to landlord, landlord submits to WCo	Taxes paid to landlord separately from annual rent payment, landlord submits to WCo
FRO VII, LLC	North Wake College and Career Academy (former Wakefield 9th Grade Center	\$55,247.20	\$60,000.00		yes
J.T. Hobby & Sons, Inc	CS Rock Quarry Rd/FD&C	\$14,263.12	\$15,000.00		yes
Chaucer Investments LLC	Crossroads FLEX	\$26,003.29	\$28,000.00	yes	
Abood, John & Marilyn	IT Computer Support	\$5,897.98	\$6,100.00	yes	
PFRS Crossroads Corp	Crossroads I	\$93,861.52	\$95,000.00	yes	
PFRS Crossroads Corp	Crossroads II	\$119,247.67	\$121,000.00	yes	
	Total:	\$314,520.78	\$325,100.00		

37. Page 110 - What is the long term capital plan for central services?

Current lease term for the Crossroads location expires in 2025 and has two 5-year extensions.

38. Page 112 – Are recipients that teach outside Wake County required to repay?

Teachers in the Future Teachers Program who do not fulfill the 3-year teaching commitment in WCPSS agree to repay the district.

39. Page 116 and 117 - I too was struck that inflation is only part of this budget for swimming pool rentals and water rates. Does this mean that across the rest of the system the ~2% inflation (based on consumer price index) is just absorbed in the budget meaning that the inflated costs with constant \$ will realistically mean that fewer things needed for education or hiring staff be purchased?

Yes. Departments and schools absorb inflationary adjustments within their base budgets.

40. Page 120 –

a) There is a \$6.8 million increase in local spending to charter schools. How many charter school students enroll in WCPSS after the 20th and 40th day, after enrollments that determine how state and/or local funding become set?

The following numbers represent students enrolled after the 20th day and 40th day for school year 2016-17. We have included totals for Wake County and by school. Please note the following conditions:

- Numbers are dependent on the data managers accuracy entering data
- If the transfer process in PowerSchool ran and if it accurately transferred data (known issue with the PowerSchool transfer function)
- Duplicate student records (known issue with charter schools)
- Only includes students in a charter school this year and who were then enrolled in a Wake County school after the 20th and 40th day.

Enrolled after 20th day (through 40th day) - 22

Enrolled after 40th day – 68

Yearly totals are an average of Sept - Jun monthly bills for 2014-15 and 2015-16. An average of Sept - Mar is used for 2016-17.

2014-15 - 8,383 charter students

2015-16 - 9,737 charter students - increase of 1,354 students which is 16%

2016-17 - 10,794 charter students - increase of 1,057 students which is 11%

b) Do charter schools lose funding when they lose students after that time?

Charter schools do lose the local funding. See response on the flow of funds.

c) How do funds flow to charter schools? What fund categories go to charter schools?

Local Funds

WCPSS is funded by the county in equal amounts at the first of every month. Charter schools are required by WCPSS to invoice the school system on a monthly basis with current rosters including addresses. A monthly per pupil amount is calculated and distributed to the charter schools based on that month's roster. The address of the student is verified as a Wake address before making the payment. This prevents funds from flowing to charters for students leaving the school during the year. Any additional revenue beyond county appropriation is shared in the same manner.

Local Funds include:

- County appropriation
- Tuition for out-of-county students
- ROTC
- Miscellaneous fees (transcripts)
- Rebates (P-Card, Pepsi)
- Outside agency refunds for substitute teachers

State Funds

State Funds include:

- Dollars per Average Daily Membership (ADM),
- Children with Disabilities (CWD),
- Limited English Proficiency (LEP) (if eligible headcount), and
- Fines and Forfeitures.

State funds will be allotted after the General Assembly adjourns and after the calculation of the State Initial Allotment.

State funds will be allotted to one Program Report Code (PRC) 036. State funds are allotted in three (3) installments:

- 1st allotment is equal to 34% of the total Initial Allotment.
- 2nd allotment 34%, which is adjusted after the first month Average Daily Membership (ADM) reported on the Principal's Monthly Report (PMR).
- 3rd allotment is equal to 32%, which is allotted prior to March 31st.

State funds for Children with Disabilities (CWD) will be allotted based on the number of children who were included in a child count on April 1st. This information must be returned to the Department of Public Instruction by mid-June.

Funding for an existing charter school is based on the base allotments per ADM of the LEA in which the school is located. Funding for new charter schools and charters who have growth above 20% is based on the base allotment per ADM of the LEA in which the student is, or would be currently enrolled.

The first installment is based on the projected initial enrollment provided by the school (usually in July). After the 1st school month, the funded average daily membership is calculated and the annual allotment is recalculated based on this number. The 2nd installment reflects the adjustments. After the 1st month ADM adjustments, a charter school can request additional funding if it has significant growth (20%) or more in months two through four.

Request will be verified and must be within the charter school's maximum. Additional funds are only provided depending on the availability of funds.

Federal Funds

Most federal funds are targeted to specific student population, i.e. children with disabilities, children in poverty; vocational education (grades 7-12). An application is required for each federal grant. Federal funds for children with special needs will be allotted based on a formula, which includes the number of children in a December 1st headcount. Federal funds are allotted after grant awards are received from the Department of Education and approval from the program staff. Most federal awards have a term of 27 months.

41. **Page 122 - The legislated mClass Reading 3D assessment (yes one more assessment...its value?) is figured based on a 1:21 teacher student ratio for K-3 which is inconsistent with the current class size legislation. This will be another excess cost should HB13 or analog remedy bill not pass.**
Correct.
42. **Page 124 - Does the NCFE issue indicating the added numbers of tests (1650 for middle school and 1700+2700) represent total numbers for the system? Or average numbers per school. The costs associated with this business plan seem most likely aligned with these being tests per school. Clarification would be useful.**
Yes, those numbers in the text of the case are averages per school. The \$39,500 increase covers all schools in the district.
43. **Page 125 –**
- a) **Given the change in the tax law that now taxes services, at what point does it become cost-effective to in-source work for these taxable services rather than outsource the work to contracts?**
This decision is driven more by special skill sets and labor market. The amount of contract services has increased over time because of the difficulty in competing with the market for skilled workers.
- b) **Why is a public school system that is financed 99.99% by tax revenues required to collect and pay any sales tax?**
Boards of Education are not exempt from sales tax in North Carolina similar to counties, cities and other political subdivisions. The only governmental exemption is state agencies. The Board is eligible for local sales tax refunds on an annual basis. Prior to July 1, 2005, the Board was eligible for refunds of both state and local sales tax. In fiscal year 2016, WCPSS paid \$3.3 million in sales tax with \$923 thousand eligible for the refund.
44. **Page 130 - Removal of textbook carryover – please explain.**
This removes the textbook carryover from last year of \$2.6 million. It does not address the future carryover from this year's remaining budget balance as of June 30, 2017.
45. **Page 134 - K-8 Intervention – reducing by 13 MOE. Why? Redeployed to a different strategy?**
Intervention MOE will be allocated in 2017-18 based on a formula that considers the concentration of at-risk students in a school, not just the number of at-risk students in a school. This will result in a savings of 13 MOE. Staff will continue to review needs.
46. **Page 136 - This business case should have more detail than just “difficult to fill or have high turnover rates”, specifying the positions for which market responsive salary adjustments are likely to be made.**
The greatest need is with adjustments to the bus driver pay scale.
47. **Page 137 - Which employees actually take advantage of this 1.5% contribution match to retirement plans. While I want to provide benefits to as many employees as possible, I worry that this is a provision that, in reality, is disproportionately available to higher salaried employees. Does this expenditure give us maximal ROI?**
This matching request in the budget is intended to offer a benefit for contributing employees and to provide an incentive to increase employee participation in optional retirement plans offered through the state or through the school system 403B and 457 plans. Currently, over 5,300 employees invest in either the 401K, 403B or 457 retirement plan. Employees contributing to the plan include administration to teachers to support personnel.

- 48. Page 143 - What funding is available to Broughton HS, Stough ES and Daniels MS to promote their magnet programs? What is the impact/meaning of having Stough and Daniels listed as “deferred” on p. 15, given the expansions of those schools’ magnet themes took place before this year’s new and revised themes, described on p. 143?**

Broughton receives 27 MOE for Magnet, Stough receives 10 MOE for Magnet, and Daniels receives 15 MOE for Magnet. The Magnet office will review how to provide additional support through a different/redirectioned source of funding, which was done in the 2016-17 school year as well. The impact is that the schools do not have a dedicated source of funding for these additional resources.

- 49. Page 144 - Without substantially compelling data, I do not support the Middle School iReady business case. The stated basis for the need for this assessment are EVAAS scores and the NCDPI report card. The data clearly show that socioeconomic status is the highest correlate to both of these performance measures. One more assessment will not improve the learning of these children. No decent teacher will not have a quite good understanding of the children’s needs without one more time and \$ intensive assessment. Neither do our required class sizes and teaching loads allow teachers to “laser like focus” on individual students. Rather than spending nearly \$0.5 million on yet one more assessment, I would highly recommend using these \$ to hire 10 more teachers that can serve as math coaches.**

WCPSS implemented iReady in our middle schools during the 2016-17 school year, at a reduced cost that was agreed upon with the vendor. This business case requests the continuation of iReady as a diagnostic/progress monitoring tool to be used system-wide in all middle schools. A consistent diagnostic/progress monitoring tool for literacy and math has been requested for several years from our middle schools. The iReady tool was reviewed by the Balanced Assessment team in response to middle school requests and in alignment to the Strategic Plan. There is also an implementation team comprised of staff in middle school programs, intervention, and special education - this team will review implementation, monitor usage, provide support and training as needed, and respond to questions/concerns from schools.

- 50. Page 146 - Since the Talent and Professional Learning Management System is to replace eSchools Solutions, it is not clear to me why this is not part of the continuing budget as opposed to being a new and expanding program. And presumably there should be a savings somewhere from the discontinuation of eSchools Solutions.**

This is a shared case with HR and Professional Learning - there are no savings shown because the current budget of \$62,167 is being redirectioned to the new platform. Budget request is \$240K, to add to the \$62K existing budget, for a total of \$302K. The case was placed in New/Expanding because it is a new platform, and while it will replace eSchools, the new platform provides much more than eSchools provided.

- 51. Page 147 –**

- a) It similarly appears to me that the Spec. Ed. services previously supported by the IDEA grant, and here requested to be continued with local \$ is more part of the continuing budget than a new or expanding program. The business case reports the same number of MOE, just shifted from Federal to Local, thus this request does not appear to offer any expanded services.**

This is correct, no expanded services. Special Education Services had built up a significant carryover in IDEA Title VI-B - but the carryover has been significantly reduced for 2017-18. In order to maintain the same level of service, these existing positions will need to shift to local funding.

- b) So grant funding is expiring or becoming insufficient to support necessary staff? Please review the requirements of and funding sources for providing the proscribed services.**

Special Education Services had built up significant carryover and has been using that carryover to fund needed positions. Carryover has been reduced, so this request is to fund the 600 MOE out of local.

52. **Page 148 - We should change the language in the third paragraph of this business case. The Connections Alternative Middle School serves students with discipline challenges. This does not “increase learning opportunities for low-income students and students of color.” It is necessary to separate correlation from causation. The majority of low-income and students of color have no disciplinary issues, and thus are not targeted by this program. That paragraph is not necessary. But if present, I recommend the language be changed to: *This business case addresses the achievement objective to increase learning opportunities for otherwise suspended students, and students with disabilities in keeping with the Board’s priority to increase the number of alternative programs.***

We will make this revision.

53. **Page 149 –**

- a) **Are counselors and social workers 12-month positions? How many positions would be added by the proposed \$10 million request for 1,472 MOE?**

Counselor and social worker positions vary in length. Some are 10, 11, or 12 months. Some are 5 and 6 months. The vast majority of the positions are 10 months. So, generally, it would equate to approximately 147 positions at the high end.

- b) **How many counselor and social workers do we currently have? How many additional counselors and social workers will we get for \$10 million? Do we plan to increase them at all schools or schools with the greatest need? This seems to be a multi-year plan so how many new counselors and social workers are we anticipating each year? How many years do they mean regarding the multi-year plan?**

The \$10 million would add about 147 positions (salary and benefits) to the current count of approximately 465 counselors and social workers. It would take another \$20 million over two years (\$10 million each) to reach recommended national ratios. These are estimates based on current costs and MOE.

WCPSS receives funding in PRC 007 to fund school counselors, social workers, nurses, media specialists, and psychologists. The state does not delineate ratios for each of the allowable categories in this program code (PRC 007) - certified instructional support.

For 2016-17 totals are:

3,799.00 MOE for School Counseling - WCPSS ratio is 1:628(ES); 1:372(MS); 1:387(HS)
1,001.00 MOE for Social Workers - WCPSS ratio is 1:1611(ES&MS); Only two HS have social workers
701.00 MOE for Psychologists - WCPSS ratio is 1:1802
2,135.70 MOE for Media Specialists - WCPSS ratio is 1:750
73.00 MOE for School Nurses - WCPSS ratio is 1:1781 (includes 87 positions funded by WCHS)

For the proposed expansion of counselor/social workers in schools, WCPSS staff is developing an acuity model for the distribution of additional counselor/social work positions to schools. Schools with greater needs/greater concentration of students with needs will be prioritized in the model. WCPSS already uses an acuity model to assign nursing support to schools.

- c) **Reducing the Counselor to student ratios. Amen!**

Incremental process that will also consider the needs of a school.

54. **Page 155 - M&O - expansion of only one position? What is the actual need?**

There are two positions in the Superintendent's request. A Facilities Maintenance Technician (FMT) and an Integrated Pest Management Master Craftsman (page 156). Actual need is variable and subject to skill set and market availability. There is \$6.2M in custodial contracts and \$7M in maintenance contracts in addition to in-house labor. Facilities works to maintain a balance the labor market will support between in-house and contract labor.

55. **Page 157 - PC repair - is this a new department/contract vendor or an expansion of an existing program?**

This is an expansion of an existing program to aid in repair of non-warranty issues.

56. Page 163 - Title II - Based on the DC chatter, what is the risk to this funding and service requirement? Is this shown in Risk assessment?

At this time, no changes have been implemented, and potential changes are not shown in Risk Assessment because the extent of changes is unknown. If funding is reduced or eliminated, difficult choices that involve staff and professional learning programs would need to be made.

57. Page 179 - Medicaid reimbursement - Based on the DC chatter, what is the risk to this funding and service requirement? Is this shown in Risk assessment?

At this time, changes to the Affordable Health Care Act have failed to move forward. The challenges to Medicaid that would be most damaging to our reimbursement services (Fee for Service, Cost Reporting and Medicaid Administrative Claiming) are currently "at bay." There is movement at the General Assembly to expand Medicaid at the state level.

58. Page 182 - McKinney-Vento - No staff? Who becomes responsible for this program? How will it be administered?

The staff person for this program has been requested as a Program Continuity case on page 104.

59. Teacher Pay -


- **What is the current status of the WCPSS goal to raise teacher salaries to the national average? How has the combination of local and state increases in the past three years helped advance this goal?**

- **How does the budget address the goal of bringing teacher pay to the goals identified in prior years? See below comment extracted:**

- By 2020, the Wake County Public School System will pay its teachers at the national average of teacher salaries. The current Wake County Schools average salary is \$45,512, while the latest national average teacher salary is \$56,383. This goal calls for an additional \$130 million. (Note that an increase in local per pupil funding would be addressing this goal concurrently.)

It is axiomatic that a high-functioning, successful school system is a positive economic driver for the county. We look forward to enhancing our role as an economic contributor in this county, all the while improving the successes and opportunities for every child.

Sincerely,



Dr. James G. Merrill
Superintendent

Adopted Budget

Budget for Fiscal Year July 1, 2014 through June 30, 2015



- **When will we get there?**

In 2014-15, the Superintendent's budget provided the WCPSS average teacher salary of \$45,512, with the goal of reaching the then national average of \$56,383, a difference of \$10,871. Currently, the WCPSS average teacher salary, as reported in November 2016, is \$50,803. Based on the latest information available, the national average (based on the NEA averages in May 2016) is \$58,064. This is a difference of \$7,261.

Clearly, the former gap has been decreased with the additional funding received from the Wake County Commissioners in 2015-16 as well as increases in the state salaries.

At present, we cannot predict when we will reach the national average. Any increase in state salaries will result in an increase in our supplements as they are currently percentages of the state base.

60. What work is underway to provide support to teachers and support staff in Trauma Informed services/instruction, taking into account students' experiences and the long term effects of Adverse Childhood Experiences?

Trauma-informed care is a mental health framework that involves understanding, recognizing, and responding to the effects of all types of trauma. This framework emphasizes the physical, psychological, and emotional safety for both students and support providers, and helps them build a sense of control and empowerment. The trauma-informed care framework is currently being piloted at six WPCSS schools/programs: Creech Rd ES, Green ES, Fox Rd ES, Lynn Rd ES, Bridges, and Longview. During the 2016-17 school year, funding from the Elementary and Secondary School Counseling (ESSC) grant was used to pay for the initial training of central services and school-based student support services staff. During the 2017-18 school year, additional WCPSS school-based student services staff will be trained using a train-the-trainer model. For the upcoming school year, in addition to expanding training in the six pilot schools/programs, student services staff at the seven middle schools involved in the discipline pilot project and the district's alternative schools will be trained.

61. Please describe the lasting impacts that ARRA (American Recovery and Reinvestment Act) funding has had on our budget, including the reduction in unrestricted fund balance.

The federal government established the American Recovery and Reinvestment Act of 2009 to stimulate the economy and create or save jobs. North Carolina received funds through the Department of Education to support programs such as Title I, IDEA and McKinney-Vento. These funds supported education initiatives threatened by the revenue reductions on the state and local levels. From 2009 (\$55 million) to 2011 (\$117 million), the federal funding more than doubled while the state funding was reduced by \$70 million in 2010 and did not recover to the 2009 funding amount until 2013. Local funding during that time period remained relatively flat. WCPSS implemented a \$20 million budget reduction in central office positions and non-personnel areas while adjusting non-instructional support formulas at schools, but did not include regular classroom instruction.

During this time, the school system placed spending restrictions in many areas to reduce annual expenditures and protect against limited increases and/or some decreases in state and local funding. These savings generated increased fund balance which resulted in an increased fund balance appropriation to balance the budget on an annual basis. As funding has normalized over the past few years, the total fund balance has reduced by \$35 million (38%) and the Unassigned Fund Balance (available for use by the Board) has decreased by \$20 million (57%).

62. Will ESSA (Every Student Succeeds Act) allow for more funding flexibility at the local level? What financial impacts will be caused by federal changes, including ESSA?

There will be some funding flexibility around the supplement supplant provisions at the local level. An example would be the ability to use Title I funds for students not meeting academic standards in Title I funded schools such as the Reading Camps programs. Financial impacts include a reduction in LEA Title I funding due to the additional state set asides. LEAs will also have to set aside non-public funding off the top of the district funding and new regulations around Foster Care transportation have an estimated costs of \$500,000 coming out of Title I.

63. What would be an estimated cost, over a five-year implementation period, to offer global languages throughout the K-12 continuum, at elementary, middle and high school levels?

Total five year costs: \$9.1 m for 153 FT positions; implemented at \$1.8 m per year for 31 positions each year. One FT position for every ES and MS and one FT shared for Leadership Schools.

64. What work is WCPSS doing to protect student data?

- All applications that utilize student data are required to go through an information security review with our Information Security Officer.
- Data managers are trained yearly on the definition of confidential data and when to share or not to share student data.
- Biscom is a confidential email system that we provide to staff within the district that needs to send or receive confidential student data.
- Security requirements are in place when building or maintaining applications internally.
- Systems in place that check servers for all required patches and updates to ensure security requirements are being met.
- Staff and students are required to read Responsible Use Policy (RUP) yearly which also covers confidential data.
- Information Security Intranet site located at <http://www2.wcpss.net/departments/technology/is/index.htm>

65. What have been financial and human resource impacts of teachers being hired and retained on one-year contracts? Please remind the Board of the parameters of hiring new teachers.

We haven't seen a significant impact to hiring and retaining teachers due to the Boards action to provide communication to teachers on one-year contracts of our commitment to renewing their contracts. This communication has been effective in relieving uncertainty for teachers on one-year contracts.

66. In 2016, Wake County completed a comprehensive Community Health Needs Assessment, led by Chair James West, which highlighted a need to focus on mental health and substance abuse. What initiatives within WCPSS's budget support the County's goals?

- **Budget Impact:** Expanding alternative schools to support the needs of "at-promise" students (Connections Academy and SCORE Academy).
- **Budget Impact:** Expanding school counselors and school social workers to meet national recommended ratio.
- Enhancing school-based Alternative Learning Centers (ALCs)
- Implementing whole child and trauma-informed care practices
- Expanding school-based mental health support (Added Diversion Coordinator, who works to connect families with community-based resources, as well as, a mental health care. Added a mental health care coordinator at Longview.)

67. Please describe trends in federal, state and local appropriations over a 10-year period (p. 85 of CAFR). Also, the tax rate trends for Wake County-wide tax rate over a ten year period. (p. 94 of 2016 CAFR) Please provide Commissioners with the pages from the Statistical Section of our CAFR that provide context for the WCPSS budget—pp. 85, 86-87, 88-89, 93, 94-95

CAFR pages: <http://www.wcpss.net/cms/lib/NC01911451/Centricity/Domain/98/2016-cafr.pdf>

Page 85 of the Comprehensive Annual Financial Report provides a ten-year history of revenues by source. The total revenues on this page includes county capital revenues for the building program, operating funds from the state, county, federal and miscellaneous other local revenue. Over this time period, approximately 97% of the operating revenues are funded through the State of North Carolina, Wake County and the federal government. State and local revenues support 91% to 92% of the budget for the ten-year period with the exception of 2010-2012 when the federal government established the American Recovery and Reinvestment Act as a package to stimulate the economy. State funding decreased by close to 10% at \$70 million in 2010 and local funding was flat with little or no increase between 2010 and 2012. During this time, the federal funding portion of the WCPSS budget increased from 5% to as high as 10% of the operating budget.

The following schedule provides a comparison of funding growth percentage over time versus student growth and inflation:

	Funding increase % 2007 to 2016	Increase ADM %	Inflation %	Growth and Inflation
State	34.9%	22.3%	19.6%	41.9%
Local	39.9%	22.3%	19.6%	41.9%
Federal	42.6%	22.3%	19.6%	41.9%

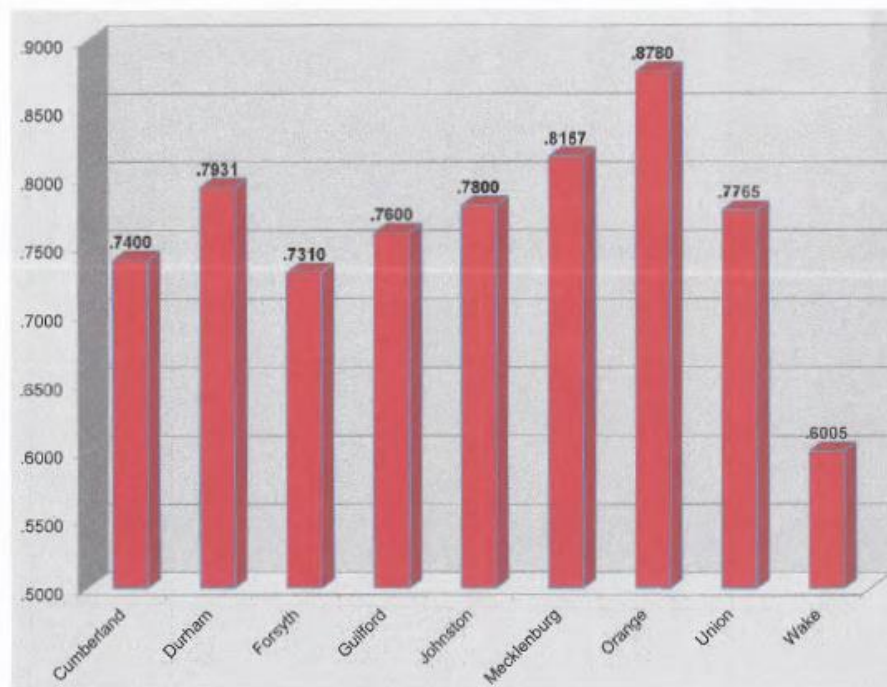
Funding variance 2009-2016 (Pre-recession)

	Funding increase % 2009-2016	Increase ADM %	Inflation %	Growth and Inflation
State	14.4%	13.8%	11.8%	25.6%
Local	24.3%	13.8%	11.8%	25.6%
Federal	26.3%	13.8%	11.8%	25.6%

Over the 10-year period and the period starting in 2009, local and state funding has not matched the increases in school system growth and inflation. Excluded from these calculations are additional cost related to salary increases and benefits. In recent years of larger state funding increases, the majority of the additional funding is aligned to the change in teacher salary schedules.

The county tax rate tables are on pages 93, 94-95 and 97. These tables are provided to WCPSS by the county and are tables in Wake County's financial report. The following table was shared in Finance Committee in February:

Wake County Property Tax



- 68. Does Paula know about the Food Security Workgroup's requests to expand Universal Breakfast and the Food Pantries?**
Yes. Paula Delucca (Universal Breakfast) and Brenda Elliott (Food Pantries) attend the Food Security Workgroup meetings and are aware of the requests.
- 69. If WCPSS knows of the requests, do they support Breakfast in the Classroom (BIC) and the Food Pantry expansions?**
The superintendent has submitted a proposed budget that requests an additional county appropriation of \$56,630,821. In addition to that budget, over \$137 million in deferred needs have been identified that the district supports. The district would support further piloting of BIC and Food Pantries but these items would be considered below the proposed additional appropriation funding line and would compete for priority with the list of deferred needs.
- 70. What schools do they want to expand into?**
The potential schools for any expansion of Universal Breakfast or BIC have not been determined.

The county's Food Security Workgroup has discussed expanding food pantries. The county is interested in adding four to five additional school-based food pantries.
- 71. Are the Food Pantries working? Do we have any results yet?**
Refer to Inter-Faith Food Shuttle reports.
- 72. How does the budget address the concern raised last year with the reduction of janitorial services?**
<http://wncn.com/2016/08/16/wake-county-school-leaders-ok-budget-with-17-million-in-cuts/>
No change. Custodial cleaning frequencies remain the same.
- 73. What are the revenues and all costs for the "Adult Evening Education" program?**
The Adult Evening Education program, which operates as Lifelong Learning within Community Services, is a user-supported program designed to break even each year. In the 2016-2017 fiscal year, its operating budget and expenses were \$508,663.
- 74. What are the revenues and costs for the "Explore Wake Schools" magazine?**
Explore Wake Schools is a partnership that does not generate revenue for the district or incur direct costs. In brief, the Communications staff provides the content -- generally from stories already published online -- to a third-party that handles the printing and covers shipping.
- 75. Page 7 - Typo on bullet 6 under 'Would like to have' needs to add ...greater than 60 percent F&R population.**
We will make a revision.
- 76. Page 83 - typo in second paragraph of Proposed funding. The 58.40 I believe is MOE, not positions.**
We will make a revision.
- 77. Page 139 - First sentence of this business case is not a sentence. Grammar in this case could be improved by replacing the . with a , although that makes for a very long sentence.**
We will make a revision.
- 78. Page 142 - The grammar in the last sentence of the first paragraph of the description makes the sentence unclear. I think the clauses need to be clarified, and then the sentence can end...it is therefore important to make this position full time in the central office.**
We will make a revision.