

Jackson County Public Schools Education Funding

February 4, 2020



Welcome



Fund Balance

As of June 30, 2019

- Fund Balance \$2,363,194
- Other Specific Revenue \$2,429,562(Restricted)
- Appropriation \$ 993,286
- Unassigned \$1,331,407



NC GS 115C-408

- GS 115C-408 states, *“It is the policy of the State of North Carolina that the facilities requirements for a public education system will be met by county governments.”*



Sources of Revenue

- General Fund (also referred to as the local current expense fund, one and the same)
- State Public School Fund
- Federal Grants Fund
- Other Specific Revenue Fund
- Capital Outlay Fund
- Individual Schools Fund
- School Nutrition Fund



Essentially all revenue except for
County appropriations are restricted.



Causes of Financial Difficulties

- School Boards cannot levy taxes
- School Boards are extremely limited in the type of debt that can be issued
- Local budget often is adopted before the State passes a budget
- Teachers are hired before State budget passed
- The State may mandate additional expenses while not funding the expenses



How do School Boards pay for unfunded State mandates

- Use fund balance from the General Fund (local current expense fund)
- Cut other operating expenses
- Find other sources of funding

This is unique to School Boards since most other governments can raise tax revenues.



Changes in Average Daily Membership (ADM)

Many Federal and State grants are based on ADM.

This presents a challenge if ADM decreases OR increases.



WHY????

Changes in Average Daily Membership (ADM)

Most likely a change in ADM did not occur in **one** grade at **one** school.

Here's an oversimplification:

What's the likelihood that a total 18 student increase at the district occurred entirely at the 4th grade at Smokey Mountain Elementary?

Changes occur across **all** grades and **all** schools making financially optimum class sizes almost impossible.



Dollar vs Position Allotment

- **Position Allotments**

- Only used for salaries
- Pays for entire salary of employee (subject to certain maximum and minimum requirements)
- Pays for most benefits attributable to the employee
- Only used in a few (but larger) allotments
- Unique to School Boards
- Reason for position allotments

- **Dollar Allotments**

- Given a "pot" of money to be spent for a certain need

*When state increases benefit amounts they don't increase dollar allotments - make up by reducing positions or pay from local funding



Dollar vs Position Allotment

	<u>Nancy</u>	<u>Betty</u>	<u>Mike</u>
Salary (a)	\$ 60,000	\$ 40,000	\$ 30,000
Benefit Rate	38%	38%	38%
Benefit \$/position (b)	<u>\$ 22,800</u>	<u>\$ 15,200</u>	<u>\$ 11,400</u>
Total cost/position (a) + (b)	<u>\$ 82,800</u>	<u>\$ 55,200</u>	<u>\$ 41,400</u>

Who would you pay from a position allotment?



Teaching Positions 2019-20

Funding Source	Number of Positions
State	
State Position Allotment	169.48
Career Technical Education (CTE)	18.5
Disadvantaged Students Supplemental Funding (DSSF)	2
Exceptional Children (EC)	21
Academically/Intellectually Gifted (AIG)	2.9
Proficiency Limited English (LEP)	1.6
Total State Positions	<u>215.48</u>



Teaching Positions Continued

Funding Source	Number of Positions
Federal	
Title I	16.1
Exceptional Children (EC)	1
Title II	1.5
Total Federal Positions	<u>18.6</u>
General Fund	5
Total Teaching Positions	<u>239.08</u>



State Allotments

Positions

Classroom Teachers

School Building Administration

Instructional Support Personnel

Career Technical Education
Months of Employment

\$\$\$\$\$\$ Dollars \$\$\$\$\$\$

Non-Instructional Support Personnel

Central Office Administration

Teacher Assistants

Driver Training

Academically/Intellectually Gifted

Children with Special Needs &
Behavioral Support

Career Technical Education Program
Support

Transportation

Limited English Proficiency (LEP)

Classroom Material, Instructional

Textbooks/Digital Learning

School Technology Fund

At-Risk Student Services

Disadvantaged Students
Supplemental Funding

High School Learn and Earn (Early
Colleges)

School Connectivity

Low-Wealth Counties

Small County Supplemental Funding



Positions Basis of Allotment 2019-20

***Teacher allotments includes regular classroom, physical education, art, music, and foreign language teachers. The basis of the allotment does not reflect K-3 class size requirements.**

Category	Basis of Allotment
Classroom Teachers* <ul style="list-style-type: none"> Kindergarten Grade 1 Grade 2 - 3 Grade 4 - 6 Grade 7 - 8 Grade 9 Grade 10 -12 Math/Science/Computer Teachers 	1 per 18 in ADM 1 per 16 in ADM 1 per 17 in ADM 1 per 24 in ADM 1 per 23 in ADM 1 per 26.5 in ADM 1 per 29 in ADM 1 per County
Instructional Support	1 per 218.55 in ADM
Administration <ul style="list-style-type: none"> School Based Principals Assistant Principals 	1 per school with at least 100 1 month per 98.53 in ADM
Career Technical Education	Base of 50 months of employment (MOE) per LEA with remainder distributed based on ADM in grades 8-12



State Positions Funding 2019-20

Category	Actual Allotment
Classroom Teachers	176 State funded positions? 2019-20 - 169.48
Instructional Support (Media Coordinators, Nurses, Social Workers, Guidance Counselors)	17 State funded positions? 2019-20 - 16.97
Administration <ul style="list-style-type: none"> School Based Principals Assistant Principals 	146 months of State funded employment 2019-20 - 145
Career Technical Education (teachers only)	Convert to positions 214 months of State funded employment 2019-20 - 207.65 / approx. 19.5 positions

*Subject to change based on State Budget



State Dollar Basis of Allotments

Non-Instructional Support Personnel Approx. \$272.00 per ADM	Central Office Administration Based on ADM
Teacher Assistants Based on ADM	Driver Training Approx. \$194.34 per 9 th Grade ADM
Academically/Intellectually Gifted (*Subject to change - \$1,363.00 per child for 4% of ADM Based on State Budget)	Children with Special Needs & Behavioral Support Per child funding with a cap
Career Technical Education Program Support Based on ADM in grades 8-12	Transportation Based on efficiency rating from prior year.
Limited English Proficiency (LEP) \$4,340.92 per child	Classroom Material, Instructional Approx. \$30.05 per ADM plus \$2.69 per ADM in Grades 8 and 9 for PSAT Testing
Textbooks/Digital Learning \$32.47 per ADM in grades K-12	School Technology Fund Based on ADM
At-Risk Student Services Based on ADM	Disadvantaged Students Supplemental Funding Disadvantaged Population– Low Wealth
High School Learn and Earn (Early Colleges)	School Connectivity E-Rate
Low-Wealth Counties JCPS is not eligible to receive these funds.	Small County Supplemental Funding JCPS is not eligible to receive these funds.



State Dollar Allotments and Local Fund Portion as Budgeted 2017-18

Non-Instructional Support Personnel State \$ 950,448 Local Funding \$ 1,880,341	Central Office Administration State \$ 569,829 Local Funding \$ 367,113
Teacher Assistants State \$ 1,003,752 Local Funding \$ 124,957	Driver Training State \$ 62,671
Academically/Intellectually Gifted State \$ 196,492 (approximately 3.08 teachers) Local Funding \$ 17,389	Children with Special Needs & Behavioral Support State \$ 2,470,082 Local Funding \$ 23,671
Career Technical Education Program Support State \$ 59,582	Transportation (Yellow Buses, home to school & back, regular school days only) State \$ 1,083,461 Local Funding \$ 156,806 (including activity buses)
Limited English Proficiency (LEP) State \$ 107,560 (approximately 1.85 teachers)	Classroom Material, Instructional State \$ 113,517 Local Funding \$ 303,287
Textbooks/Digital Learning State \$ 157,842	School Technology Fund State \$ 126,836 Local & Grant Funding \$ 1,083,527
At-Risk Student Services State \$ 24,319 Local Funding \$ 151,215	Disadvantaged Students Supplemental Funding State \$ 139,772 (approximately 2.75 teachers)
High School Learn and Earn (Early Colleges) State \$ 475,000 (will not pay for teachers)	School Connectivity (ending June 2018) State \$ 17,700 Local Funding \$ 3,100



State Dollar Allotments and Local Fund Portion as Budgeted 2018-19

Non-Instructional Support Personnel State \$ 996,733 Local Funding \$ 2,071,310	Central Office Administration State \$ 563,082 Local Funding \$ 841,491
Teacher Assistants State \$ 989,262 Local Funding \$ 6,880	Driver Training State \$ 52,132
Academically/Intellectually Gifted State \$ 201,145 (approximately 3.22 teachers) Local Funding \$ 9,345	Children with Special Needs & Behavioral Support State \$ 2,932,884 Local Funding \$ 6,425
Career Technical Education Program Support State \$ 60,014	Transportation (Yellow Buses, home to school & back, regular school days only) State \$ 1,084,721 Local Funding \$ 123,186 (including activity buses)
Limited English Proficiency (LEP) State \$ 107,187 (approximately 1.85 teachers)	Classroom Material, Instructional State \$ 114,501 Local Funding \$ 206,606
Textbooks/Digital Learning State \$ 145,190	School Technology Fund State \$ TBA Local & Grant Funding \$ 721,200
At-Risk Student Services State \$ 920,015 Local Funding \$ 23,177	Disadvantaged Students Supplemental Funding State \$ 147,389 (approximately 2.85 teachers)
High School Learn and Earn (Early Colleges) State \$475,000 (will not pay for teachers)	



State Dollar Allotments and Local Fund Portion as Budgeted 2019-20

Non-Instruction Support Personnel

State \$973,927 Local \$2,137,262

Teacher's Assistant

State \$966,561 Local \$68,517

Academically/Intellectually Gifted

State \$195,521 (Approx. 2.9 Teachers)
Local \$9,405

Career Technical Education Program Support

State \$59,844

Limited English Proficiency (LEP)

State \$132,818 (Approx. 1.6 Teachers)

Textbook/Digital Learning

State \$116,426

At-Risk Student Services

State \$1,075,895 Local \$14,060

High School Learn and Earn (Early College)

State \$400,000 (will not pay for teachers)

Central Office Administration

State \$567,285 Local \$823,646

Driver Training

\$61,702

Children with Special Needs and Behavioral Support

State \$2,526,221 Local \$7,648

Transportation (Yellow Buses, Home to school & back regular school days only)

State \$1,107,071 Local \$132,632(Including Activity buses)

Classroom Material, Instructional

State \$110,156 Local \$238,538

School Technology Fund

State \$75,078 Local and Grant Funding \$720,700

Disadvantaged Students Supplemental Funding

State \$139,881 (Approx. 2 Teachers)



Federal Restricted Dollar Allotments

All federal allotments are dollar based and for restricted purposes.

Career Technical Education Program	IDEA VI-B Handicapped/Children with Special Needs
Title I	IDEA VI-B State Improvement
Improving Teacher Quality (Title II)	IDEA VI— B Special Needs Targeted
Rural and Low-Income School	IDEA Targeted Assistance
Language Acquisition (ESL)	IDEA - Preschool



County Appropriation

- Operations
 - Unrestricted
- Capital
 - Restricted for capital expenditures



General Fund (Local) Paid Positions 2016-17

Positions	Number of Positions	Total Cost
Directors/Supervisors/Finance Officer	6.97	\$603,099
Assistant Principals	1.6	\$110,993
Teachers/Lead Teachers	4.76	\$358,388
Instructional Support	7.27	\$382,247
Teacher Assistants	2.3	\$ 83,673
Tutors/School Based Specialists	12.33	\$283,398
Office Support	25.25	\$993,070
Technology Technicians	3	\$153,658
Bus Drivers (Part-time, Activity Bus, etc.)	**	\$111,194
Maintenance Personnel	6	\$272,023

***Additional duties for current full-time employees.*



General Fund (Local) Paid Positions 2017-18

Positions	Number of Positions	Total Cost
Directors/Supervisors/Finance Officer One Month for Superintendent & Assistant Superintendent	5.75	\$793,536
Assistant Principals	3.81	\$205,421
Teachers/Lead Teachers	3.31	\$321,263
Instructional Support	3	\$119,054
Teacher Assistants	0	\$ 12,758
Tutors/School Based Specialists	1.9	\$29,674
Office Support	26.3	\$1,062,785
Technology Technicians	3	\$166,332
Bus Drivers (Part-time, Activity Bus, etc.)	**	\$92,303
Maintenance Personnel	5.75	\$283,427
Custodial Staff (June only)	1.92	\$72,295

***Additional duties for current full-time employees.*



General Fund (Local) Paid Positions 2018-19

Positions	Number of Positions	Total Cost
Directors/Supervisors/Finance Officer	7.41	848,083
Assistant Principals	2.15	191,329
Teachers/Lead Teachers	5.09	396,922
Instructional Support	9	577,804
Teacher Assistants	0	63,571
Tutors/School Based Specialists	6.49	25,535
Office Support	22.61	1,300,160
Technology Technicians	3	162,928
Bus Drivers (Part Time, Activity Bus, etc.)	**	21,068
Maintenance Personnel	7	326,890
Custodial Staff (June Only)	1	72,978
		26

***Additional duties for current full-time employees.*



General Fund (Local) Paid Positions 2019-20

Positions	Number of Positions	YTD 2-1-2020 Total Cost
Directors/Supervisors/Finance Officer	7.47	445,105
Assistant Principals	3	147,268
Teachers/Lead Teachers (est. annual only)	5.60	292,052
Instructional Support	10.10	373,784
Teacher Assistants	0	7,420
Tutors/School Based Specialists	5.49	7,661
Office Support	21.39	683,136
Technology Technicians	4	119,938
Bus Drivers (Part-time, Activity Bus, etc.)	**	17,546
Maintenance Personnel	6	172,546
Custodial Staff (June only)	2	0

***Additional duties for current full-time employees.*



Athletics

(Paid From General Fund)

- AD Salaries/Coaching Supplements \$ 520,418 - with benefits \$386,495 without benefits
- Allotments for school based teams, district middle school sports, athletic insurance, etc. \$ 67,025
- No State Funding
- No Federal Funding

Note: Additional costs are paid from gate receipts at the school level such as equipment, uniforms, referees, etc.



Charter School Funding

- Charter Schools receive state and federal funding directly from DPI.
- County appropriation and fines and forfeitures comes directly to JCBOE and a pro-rata portion is passed through to the charters based on their ADM.



Charter School Allocation

- 2017-18 JCBOE paid \$1,725.72 per student from Jackson County appropriation.
- 2018-19 JCBOE will pay \$1,960.70 per student from Jackson County appropriation (assuming no enrollment change).
- 2019-20 Approximately \$2,010.92
- 2018-19 Budgeted \$720,681 for charter schools.
- 2019-20 Budgeted \$720,681 for charter schools.
- JCBOE pays an additional amount per student from Fines & Forfeitures (changes from month to month).



Amounts Paid in 2016-17

• Summit Charter	\$295,509
• Mountain Discovery Charter	\$147,755
• Shining Rock Classical Academy	\$ 17,383
• Grandfather Academy Charter	\$ 290
• NC Connections Academy (Virtual)	\$ 2,721
• NC Virtual Academy (Virtual)	<u>\$ 1,843</u>

Total	<u>\$465,501</u>
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Amounts Paid 2017-18

• Summit Charter	\$ 370,376
• Mountain Discovery Charter	\$ 145,693
• Catamount School (new 2018)	\$ 70,892
• Shining Rock Classical Academy	\$ 21,321
• Evergreen Academy Charter (new)	\$ 1,777
• Grandfather Academy Charter	\$ 1,331
• NC Connections Academy	\$ 6,078
• NC Virtual Academy	<u>\$ 4,446</u>

Total Paid

\$ 547,058



Amounts Paid 2018-19

• Summit Charter	\$319,743
• Mountain Discovery Charter	\$182,315
• Catamount School (New 2018)	\$ 77,009
• Shining Rock Classical Academy	\$ 19,803
• Evergreen Academy Charter (new)	\$ 312
• Grandfather Academy Charter	\$ 416
• NC Connections Academy	\$ 2,985
• NC Virtual Academy	<u>\$ 4,147</u>

Total Paid \$ 606,730



Amounts Paid 2019-20

	Actual Paid (Dec. 2019)	Projected
• Summit Charter	\$168,892	\$337,784
• Mountain Discovery Charter	\$ 95,475	\$ 190,950
• Catamount School (new 2018)	\$ 41,204	\$ 82,408
• Shining Rock Classical Academy	\$ 12,670	\$ 25,340
• Grandfather Academy Charter	\$ 514	\$ 1,028
• NC Connections Academy	\$ 1,204	\$ 2,408
• NC Virtual Academy	\$ 1,879	\$ 3,758
• IC Imagine (new 2019-20)	\$ 1,373	\$ 2,746
• Franklin Innovation(new 2019-20)	\$ <u>687</u>	\$ <u>1,374</u>
Total Paid	\$ 323,898	\$ 647,796



General Fund Budget 2017-2018

Instructional Services

• Regular Instructional	\$1,267,926
• Special Populations	\$ 108,951
• Alternative Programs	\$ 151,735
• School Leadership	\$ 602,799
• Co-curricular	\$ 513,210
• School-based Support	\$ 568,974



General Fund Budget 2019-20

Instructional Services

• Regular Instructional	\$ 1,429,918
• Special Populations	\$ 96,549
• Alternative Programs	\$ 81,597
• School Leadership	\$ 746,677
• Co-curricular	\$ 601,658
• School-based Support	\$ 812,137



General Fund Budget 2017-18

System-wide Support Services

- Support & Development \$ 94,067
- Special Populations \$ 1,430
- Alternative Programs \$ 3,438
- Technology \$ 391,963
- Operational \$ 1,698,150
- Financial & HR \$ 624,691
- Accountability \$ 151,121
- Pupil Support \$ 4,292



General Fund Budget 2019-20

System-wide Support Services

- Support & Development \$ 261,045
- Special Populations \$ 698
- Alternative Programs \$ 2,287
- Technology \$ 443,240
- Operational \$ 2,364,483
- Financial & HR \$ 793,288
- Accountability \$ 175,409
- Pupil Support \$ 77,118



General Fund Budget 2017-18

Ancillary Services

- School Nutrition \$ 7,839

Non-program Charges

- Payments to Charter Schools \$557,442



General Fund Budget 2019-20

Ancillary Services

- School Nutrition \$ 7,871

Non-payment Charges

- Payments to Charter Schools \$720,681



General Fund Budget 2018-19

Instructional Services

• Regular Instructional	\$ 1,062,972
• Special Populations	\$ 48,274
• Alternative Programs	\$ 85,250
• School Leadership	\$ 875,904
• Co-curricular	\$ 521,236
• School-based Support	\$ 847,693



General Fund Budget 2018-19

System-wide Support Services

• Support & Development	\$	439,996
• Special Populations	\$	6,123
• Alternative Programs	\$	234
• Technology	\$	412,823
• Operational	\$	2,565,421
• Financial & HR	\$	737,943
• Accountability	\$	169,010
• Pupil Support	\$	63,606
• Policy, Public Relations Services	\$	276,262



General Fund Budget 2018-19

Ancillary Services

- School Nutrition \$ 10,145

Non-program Charges

- Payments to Charter Schools \$ 720,681

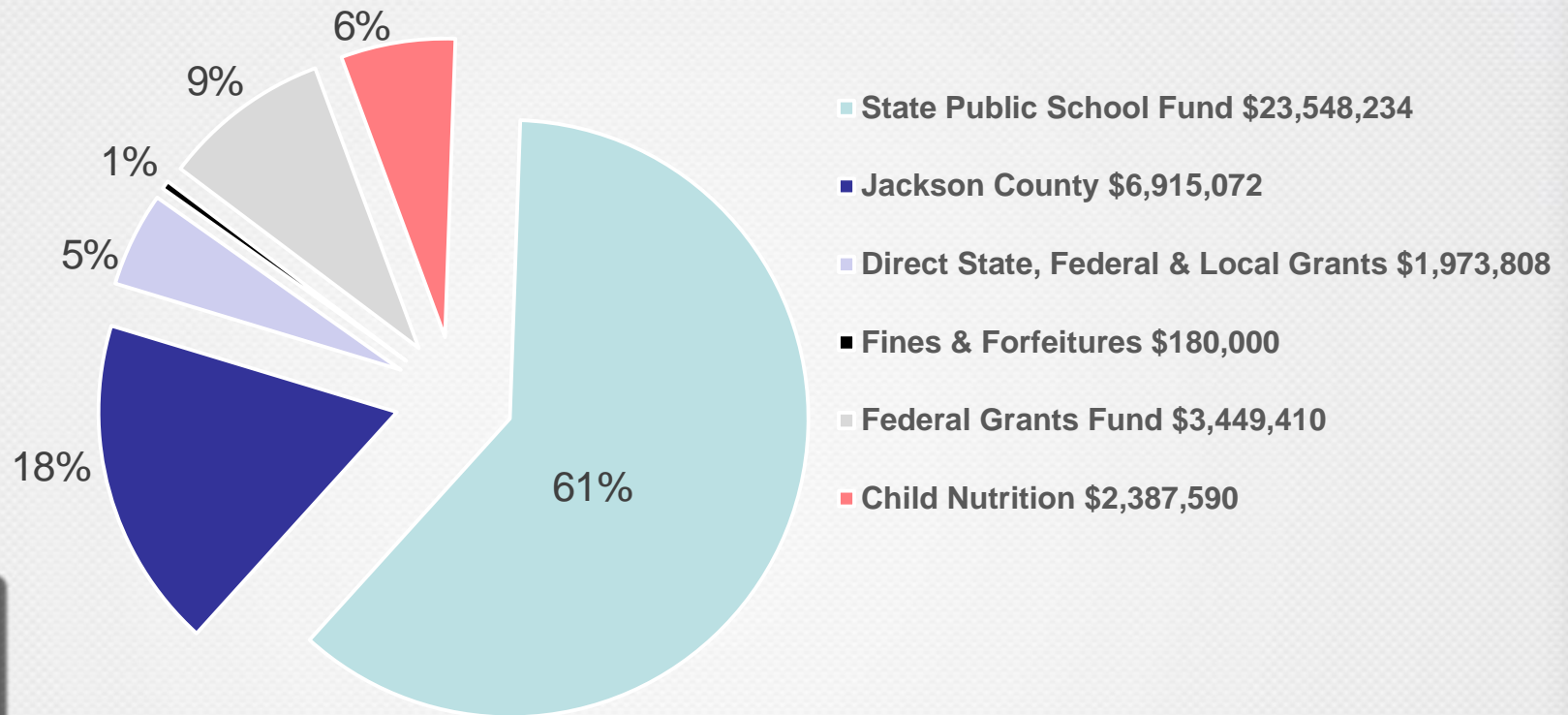


School Nutrition

- Funded primarily by USDA reimbursements
- Food sales is a small percentage of total revenue (approximately 20%)
- Proceeds can only be used to support school nutrition
- JCPS School Nutrition program is self-supported while many similarly sized districts require financial assistance from the General Fund



Budgeted Source of Operating Revenue (By Fund) FY 2018-19



Local School Finance Study Rankings

2018-2019

- County Funding Rank - 38th
- County Funding Rank - 69th including low-wealth & small county funding

2015-2016

- County Funding Rank - 38th
- County Funding Rank - 69th including low-wealth & small county funding

2014-2015

- County Funding Rank - 27th
- County Funding Rank - 54th including low-wealth & small county funding

Source: Public School Forum of North Carolina a non-partisan, non-profit organization with the mission to provide evidence-based research to assist North Carolina public schools (www.ncforum.org).



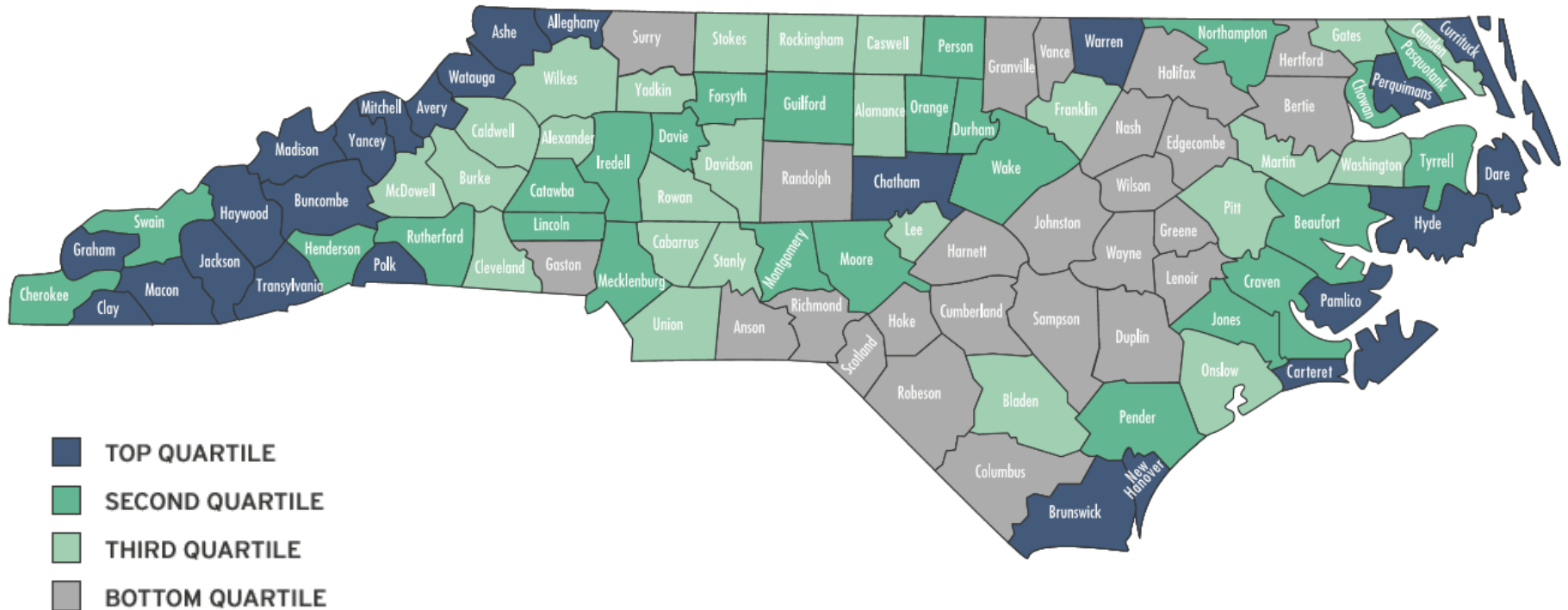
Local School Finance Study Rankings

- 2018-2019 County ability to pay rank - 7th
- 2018-2019 County relative effort rank - 98th
- 2015-2016 County ability to pay rank - 4th
- 2015-2016 County relative effort rank - 98th*
- 2014-2015 County ability to pay rank - 3rd
 - * The study noted that low-wealth counties with comparatively high spending levels tended to rank highest in this measure.

Source: Public School Forum of North Carolina: a nonpartisan non-profit organization with the mission to provide evidence-based research to assist North Carolina public schools (www.ncforum.org).



North Carolina Real Estate Wealth



Funding Comparison to other States

	<u>Federal</u>	<u>State</u>	<u>Local</u>
North Carolina	13%	62%	25%
South Carolina	10%	46%	44%
Virginia	7%	39%	54%
Georgia	10%	44%	46%
Tennessee	13%	46%	41%

NC Rank 39th 2018 \$10,072 per student - According to publicschoolsfirstnc.org

Source NCES (National Center for Education Statistics)
Revenues for Public Elementary and Secondary Schools, by source of funds and state or jurisdiction: 2012-13.



Sources of Capital Funding

- **County Government**
 - Restricted sales tax revenue received
 - Debt
 - Property taxes
- **State of NC**
 - Lottery Funds (Obligated Fairview Kindergarten Building Debt)
 - ADM fund (Which has been largely depleted)
- **Grants From Other Organizations**
 - Very rare
 - Very restrictive



Capital Funding

- **Restricted Sales Tax Revenue Received**
 - Article 40
 - Article 42
 - Article 46
- **County Restrictions**
 - Capital Outlay
 - Technology
 - One to One Project
 - Preventive Maintenance
- **County Commission Pays from Restricted Sales Taxes and QZAB Proceeds**
 - Building projects (Roofs, HVAC, etc.)
 - Debt for major school projects (Fairview Kindergarten)



Board of Education Locus of Control

In summary...

- The only funds that are unrestricted and that the BOE can decide how to spend are the county appropriation, fines and forfeitures and interest earned.
- The BOE has no control over the expenditure of funding received from restricted sources.



Questions please contact:

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