



**PUBLIC SCHOOLS OF NORTH CAROLINA**

State Board of Education | Department of Public Instruction

# Financial & Business Services Update

Alexis Schauss

Chief Financial Officer

Department of Public Instruction

# The Good News

- We got a signed budget bill

# The Bad News

We had to implement the signed budget bill

# Key School Business Personnel

Jennifer Bennett School Business Director

John Keefer Budget Manager

Shirley McFadden Monitoring & Compliance

Sue Holly School Allotments

Gwendolyn Tucker School Reporting

Frank Cernik Lead Analyst

Catherine Clark ESSER



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# School Business Major Initiatives

# 2021-22 Budget a first (and hopefully never to be repeated)

- Implementing the 2021-22 budget in a VERY truncated year

## At the same time as:

- Implementing the \$6 billion ESSER funds before the deadlines.
- Executing \$84m in purchases and services for non public schools
- Building the 2022-23 budget
- Closing out the 2021-22 year

# Rebuilding a System of Support

- External Support to PSUs
- Internal Support to DPI Leadership and Programs
- Development of DPI FBS Staff

# State of the Finance Officers

- 15 FO vacancies in LEAs
- 20% FOs have less than 2 years of experience
- Very limited candidate pool, especially in small districts



# Partnership with NCASBO

Budget provided \$2.225m to partner with NCASBO for:

- Professional development
- Technical assistance
- Will incorporate payroll and other finance items that impact HR

# System Modernization

- State ERP
- School Business Systems
- LEAs ERPs

Budget: \$48.7m 2021-22

\$37.9m 2022-23

# Other projects

- Budgeting Charter Schools
- Funding Formulas
- Student Accounting



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# **SBE and State Superintendent updates**

# Comprehensive Remedial Plan (CPR)- Leandro

The SBE plan that was submitted to the Superior Court that lays out the actions to satisfy the State's obligations to assure every child the opportunity to obtain a sound basic education.

Actions to be implemented by 2028.

# Operation Polaris (OP)

Superintendent Truitt's strategic vision to support public schools as they work to overcome the challenges of the pandemic while establishing a framework to achieve a long-term goal of ensuring a sound basic education for all students in the state.

# Items in the CRP Financial Plan

- More flexibility with allotment use
  - Combine CT and PET allotments
  - Combine all dollar allotments
- Increase base allotments

# Items in the CRP Financial Plan

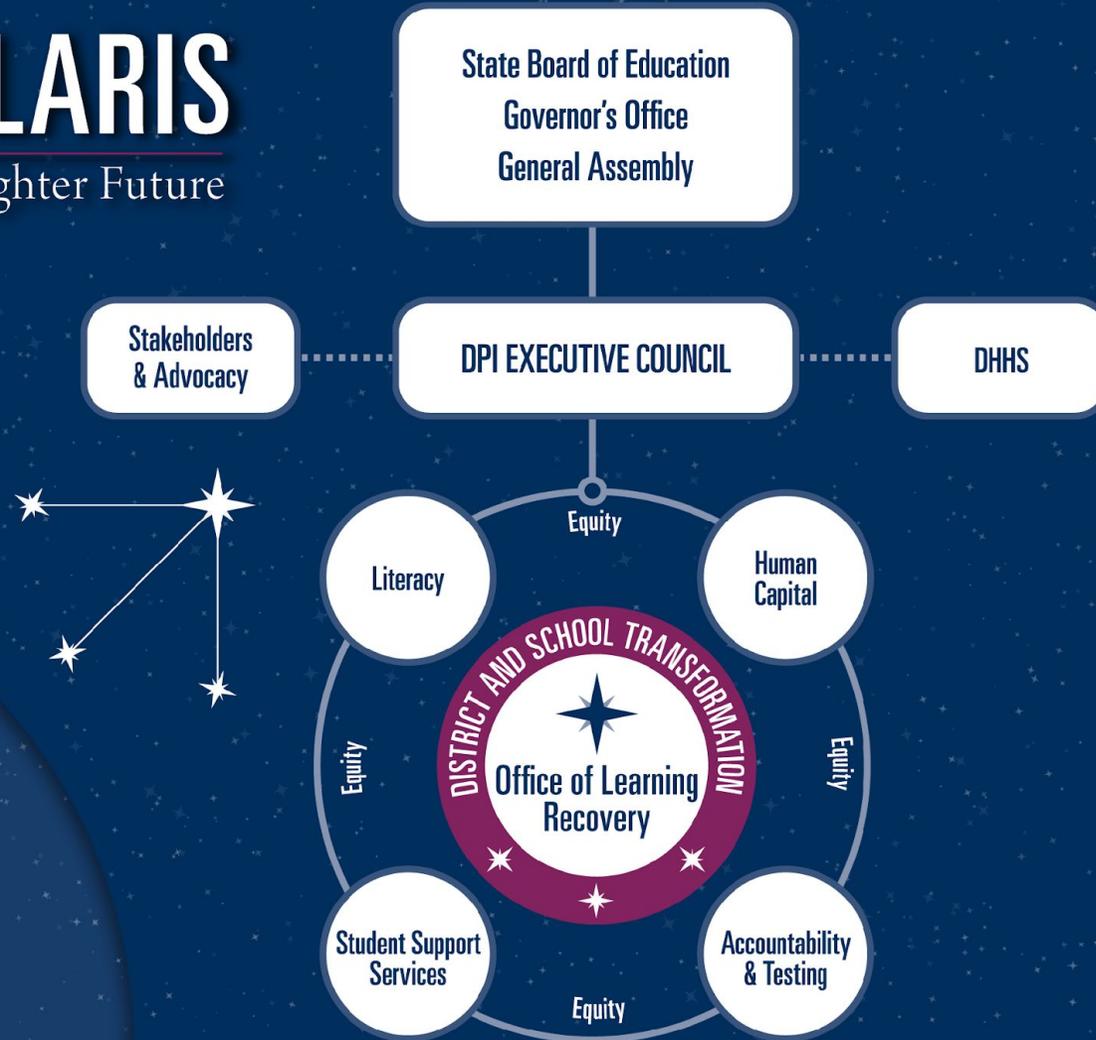
- Revise categorical formulas
  - EC
  - LEP
  - DSSF/At Risk
  - Low Wealth

# Items in the CRP Financial Plan

- Increase positions for nurses, media, counselors, psychologists and social workers
- Increase educator compensation
- Revise charter school funding
- Build in inflation and student growth

# OPERATION POLARIS

Navigating Students Toward a Brighter Future



# Accountability and Testing



## Transform NC's K-12 accountability system

**Goal:** Measure success based on preparedness for the workforce, higher education and robust civic participation

- *Redefine* school accountability
- *Rethink* student testing

**Why:** The pandemic underscored the limitations of both school accountability system and the problems with one-time, high-stakes testing

**Outcome:** Ensure graduates are prepared to meet the demands of the *workforce*

***Economic mobility rests on education and a state's ability to educate its workforce***

# Statewide Portrait of a Graduate

**Goal:** better define the knowledge, durable skills and mindsets students need for success after high school while creating a foundation for a competency-based accountability system

**Process:** DPI and partners are working with Battelle for Kids to engage community stakeholders throughout the State

- The process is grassroots and inclusive
- Facilitating discussions across all 8 education regions
- The regionally held focus groups will help capture regional differences for the development of a statewide model

**Stakeholders involved:**

Business owners, superintendents, church and community representatives, higher-education leaders, school administrators, parents, educators, and students

# Statewide Portrait of a Graduate

- Emphasizes academic rigor AND ensures development of durable skills and mindsets:
  - Resilience
  - Leadership
  - Communication
- The Statewide Portrait will compliment and align with local district portraits
- Debuting in the fall of 2022:
  - Presented to SBE, GA, and our K-12 educational system throughout the state

# Why the 2022 is the Year of the Workforce?

NC businesses in multiple sectors (manufacturing, construction, IT, logistics, and services) continue to report a shortage of talent with the durable skills and technical credentials to maintain or grow their business.

**Meanwhile:** only one-third of NC students seek additional career certification in the six years following high school graduation.

**Reality check:** NC is recruiting top companies but are we ensuring a long-term talent pipeline?

**The answer:**

- Better align public education with industry needs
- Introduce students to various career options consistently throughout the K-12 journey

# Highlights of the Superintendent's Work Underway

- Established the Office of Learning Recovery & Acceleration (OLR) for research and evaluation – funded from ESSER
- Assistant Principal Leadership Accelerator Program - secured funding from Belk Foundation (grant program 25 APs in initial cohort)
- Excellent Public Schools Act – Science of Reading
- System Modernization



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# The Current Year – 2021-22

# 2021-22

- Very short year to implement
- Bonuses, bonuses and bonuses
- Retro pay
- Retirement rates impacted
- New school psych allotment
- Close out of CRF
- ESSER I, II, III and GEER on going

# Where we are now

- All State allotments are out – including:  
Summer camp PRC016  
LW and SC signing bonus PRC062
- Federal – ESSER III Leadership are in all stages of implementation .
  - Funds for bonuses in PRC203 being finalized



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# The year ahead - 2022-23

# **Where we are in the Budget Process**

# Where we are

- ADM projections have been done and redone- several times
- Allotted ADM is posted on the [FBS website](#)
- Average Salaries have been calculated based on January payroll

ADM and salaries are the backbone to the budget and allotments

# Where we are

- Planning allotments are being calculated and anticipated by April 22.
- Finance Officers should be able to calculate their allotments themselves, with the exception of low wealth

**What we Know about the 2022-23  
Budget  
(unless it changes)**

# Salaries

- Teacher and Instructional Support Salary Schedules
- Each step is increased by 1.3% - with an educator step the average increase is approximately 2.5%

# 2022-23 Principal Salaries

ADM	Base	Met	Exceeded
0-200	71,574	78,731	85,889
201-400	75,153	82,668	90,184
401-700	78,731	86,604	94,477
701-1,000	82,310	90,541	98,772
1,001-1,600	85,889	94,478	103,067
1,601+	89,468	98,415	107,362

Anticipate the salary change effective January 1, 2023

ADM based on Best 1 of 2 2022-23

Growth – TBD

Do not anticipate a hold harmless

Subject to change based on the legislative session

# Central Office and Non Certified Salaries

The higher of 2.5% and \$15 per hour

# Bonuses

- Do not anticipate the numerous bonus programs for employees
- Anticipate the 3-8<sup>th</sup> grade bonus program reactivated
- Anticipate the principal bonus program reactivated
- State funded signing bonus to continue (Low wealth and small counties only)

# Benefits

## Retirement Rate

FY 2021-22	FY 2022-23	Change	% Change
22.89%	24.19%	1.30%	5.7%

## Hospitalization Rate

FY 2021-22	FY 2022-23	Change	% Change
\$7,019	\$7,397	\$378	5.4%

Definitely subject to change based on the legislative session

# Other things

- Do not anticipate an ADM hold harmless
  - Budget conservatively – many LEAs are decreasing in ADM
- Anticipate a quick session without major items

# Information on the Web

- COVID Funds page
  - Data dashboard by LEA and Program
- State, federal and COVID policies
- FAQs

<https://www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services>

Summary: All as of 8/31/2021

Allotment	Expenditures	Balance
5,514,396,841	1,019,296,644	4,495,100,197

To filter Summary select a Public School Unit

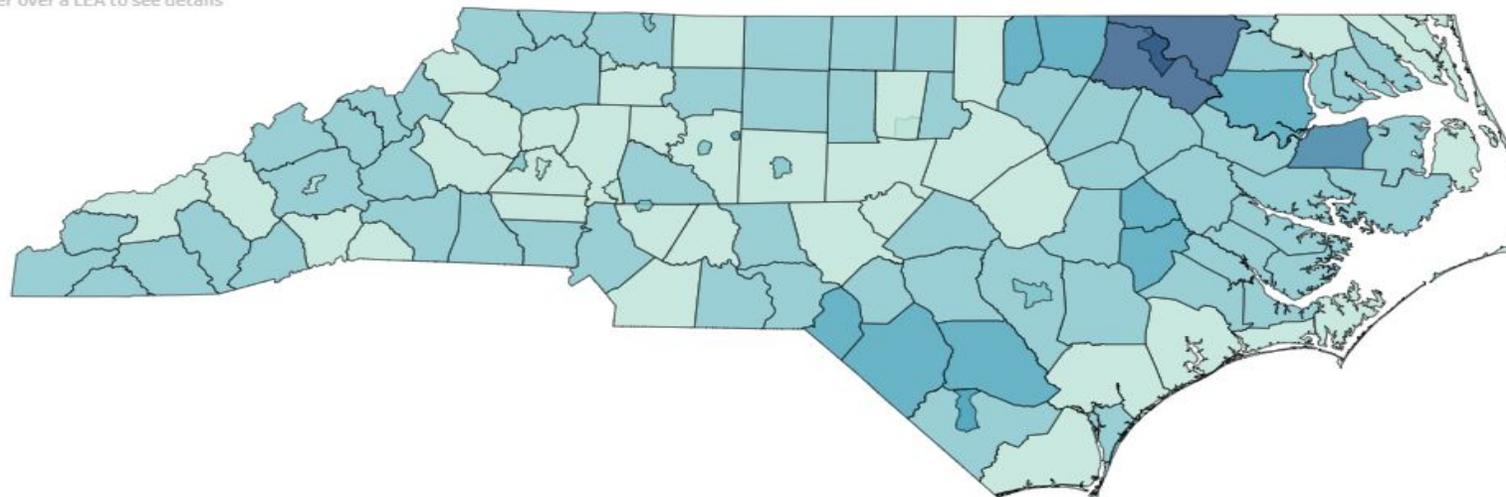
(All) ▼

Choose a Program

(All) ▼

Local Education Agency- \$ per ADM: All

Hoover over a LEA to see details



Allotment Per ADM  
1,205 14,051

## Detailed Expenditures as of 8/31/2021

Select the object grouping: (All) | Choose a Program: 163- ESSER I - CARES Act-K12 Emergency Relief | Select a PSU Type: Local Education Agency

Select Public School Unit: (All)

### All - 163- ESSER I - CARES Act-K12 Emergency Relief

