

Charlotte-Mecklenburg Board of Education

Agenda Item

Meeting Date

August 14, 2018

Agenda Item Title

Recommend Approval of the Charlotte-Mecklenburg Board of Education FY2018-2019 Operating Budget

Correlation to Board of Education Vision, Mission & Core Beliefs

Operating effectively and efficiently with fiscal accountability

Staff Present

Sheila W. Shirley, Chief Financial Officer

Main Points

On May 8, 2018 the Board of Education approved the 2018-2019 Proposed Budget. Since that time the Board of County Commissioners (BOCC) and the state have adopted their budgets, and we have estimates for our federal budget. In accordance with state statute 115C-432, the Board of Education shall adopt a budget resolution making appropriations for the budget year in such sums as the board may deem sufficient and proper.

Fiscal Implications

State - \$884,018,417

County - \$459,864,612

Federal/Grants – \$129,294,152

Other/Special Revenue - \$18,295,000

Total Operating Budget - \$1,491,472,181

Capital Replacement - \$27,560,000

Child Nutrition Program – \$71,534,377

After School Enrichment Program - \$14,048,335

Total Proposed Budget - \$1,604,614,893

Agenda Item Type

Action Items

Motion

Recommend approval to adopt the budget resolution for the Current Expense, Capital Replacement, After School Enrichment Program, and Child Nutrition Program Budgets for FY2018 - 2019.

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August 14, 2018

What matters most

A letter to the Board of Education from the superintendent

The adopted budget you have before you represents our commitment to what matters most in Charlotte-Mecklenburg Schools: our students. I believe this budget and this school year are a moment of opportunity that we must seize to make our schools more excellent, more equitable and more emotionally supportive for kids.

Earlier this year, our district produced a report called *Breaking the Link*, showing that our schools are not equitable: Some students get what they need to learn and succeed but many others do not. This report mirrors the earlier economic mobility report and the work of the Leading on Opportunity Council. *Breaking the Link* is one more proof point for the painful reality that our community offers a wealth of opportunity for some, but little or none to others. Charlotte-Mecklenburg Schools has prepared some students for success, but others have been left behind. The data indicate that we must hold equity as our first commitment to students, giving each student what he or she needs to succeed in any school.

Our kids need access to a robust, safe, effective public education, one that will truly prepare them to succeed in the future, no matter where they begin in life. Public schools are a key lever in building economic mobility. Until the predictive link between poverty/race and academic achievement is broken – the connection documented in *Breaking the Link* – economic mobility will remain out of reach for many. We must close the achievement gaps between white students and students of color, between middle-class students and their peers who live in poverty.

I believe that this budget will help us get there. It identifies four main areas of need for our kids and allocates funding to each of them: Safe schools. Great educators. Strong support. Positive learning spaces.

The 2018-2019 budget allocates our funding to address our top priorities. We need great teachers and staff – and our budget puts an additional \$85.4 million more than last year’s budget into salaries and benefits. We need to make our schools safe and welcoming to our students – and our budget allocates an additional \$4.7 million to student support services and an additional \$623,586 to increase our security staff. We have also allocated an additional \$1.6 million for additional facility space.

While we received a significant portion of our funding request from the county, it did not fund all the new initiatives we have planned. However, we were able to cover some of the unfunded initiatives with additional redirections from our existing budget. We value our partnership with Mecklenburg County and will continue to work with our local and state officials to address the district’s needs and priorities.

Our kids need us. The 2018-2019 budget addresses those needs. We will continue our work to make Charlotte-Mecklenburg Schools the safest, most equitable and excellent district in the country. What matters most is our students – and this budget seeks to address our most pressing needs.

Respectfully,



Dr. Clayton M. Wilcox, Superintendent
Charlotte-Mecklenburg Schools

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
 CHARLOTTE, NORTH CAROLINA
 BUDGET RESOLUTION FY 2018-2019**

BUDGET RESOLUTION FY 2018-2019

BE IT RESOLVED by the Board of Education of the Charlotte-Mecklenburg School Administrative Unit:

Section I The following amounts are hereby appropriated for the operation of the school administrative unit for the fiscal year beginning July 1, 2018 and ending June 30, 2019:

Current Expense

(A) Instructional Services

5100	Regular Instructional Services	\$ 726,941,691
5200	Special Populations Services	159,318,837
5300	Alternative Programs Services	105,162,943
5400	School Leadership Services	77,470,945
5500	Co-Curricular Services	6,735,214
5800	School-Based Support Services	<u>80,930,817</u>
	Total Instructional Programs	<u>\$ 1,156,560,447</u>

(B) System-Wide Support Services

6100	Support and Development Services	\$ 11,799,874
6200	Special Population Support and Development Services	3,837,933
6300	Alternative Programs Support and Development Services	5,449,589
6400	Technology Support Services	13,398,985
6500	Operational Support Services	193,689,799
6600	Financial and Human Resource Services	22,931,934
6700	Accountability Services	5,189,707
6800	System-wide Pupil Support Services	3,942,470
6900	Policy, Leadership, and Public Relations Services	<u>17,176,059</u>
	Total Supporting Services	<u>\$ 277,416,350</u>

(C) Ancillary Services

7100	Community Services	555,671
7200	Nutrition Services	<u>300,000</u>
	Total Ancillary Services	<u>\$ 855,671</u>

(D) Non-Programmed Charges		
Payments to Other Governmental Units and Transfer of Funds	\$	56,639,713
Debt Service		<u>-</u>
Total Supporting Services		<u>56,639,713</u>
Total Current Expense	\$	<u>1,491,472,181</u>
<u>Capital Replacement</u>		
(A) Buildings and Sites	\$	26,609,616
(B) Furniture and Equipment		950,384
(C) Vehicles		<u>-</u>
Total Capital Replacement	\$	<u>27,560,000</u>
<u>Child Nutrition Program</u>		
(A) Salaries and Benefits	\$	31,708,802
(B) Food and Operational Costs		<u>38,628,961</u>
Total Child Nutrition Program	\$	<u>71,534,377</u>
<u>After School Enrichment Program</u>		
(A) Salaries and Benefits	\$	11,162,247
(B) Operational Costs		<u>2,818,065</u>
Total After School Enrichment Program	\$	<u>14,048,335</u>
Total Expenditures	\$	<u><u>1,604,614,893</u></u>

Section II The following revenues are estimated to be available for the fiscal year beginning July 1, 2018 and ending June 30, 2019:

Current Expense

County Appropriation	\$	459,864,612
State Funds		884,018,417
Federal and Other Grant Funds		129,294,152
Other and Special Revenue Funds		18,295,000
Total Current Expense	\$	<u>1,491,472,181</u>

Capital Replacement

County Appropriation	\$	<u>27,560,000</u>
Total Capital Replacement	\$	<u>27,560,000</u>

Child Nutrition Program

Sales and Operating Transfer from General Fund	\$	11,869,923
Federal and Other Revenues		<u>59,664,454</u>
Total Child Nutrition Program	\$	<u>71,534,377</u>

After School Enrichment Program

Participant Fees	\$	13,973,335
Interest Income		<u>75,000</u>
Total After School Enrichment Program	\$	<u>14,048,335</u>

Total Revenues	\$	<u>1,604,614,893</u>
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Section III All appropriations shall be paid first from revenues restricted as to use, and second from general unrestricted revenues.

Section IV The Finance Officer, with the approval of the Superintendent, is hereby authorized to transfer appropriations within a fund as follows:

- (A) Proposed expenditures from State, Federal, or other sources of revenues, may be amended upon receipt of information altering the anticipated revenues. A report of such budget amendments shall be made to the Board of Education on a monthly basis.
- (B) Allocations may be transferred within a function with a report of such transfers made to the Board of Education on a monthly basis.
- (C) Transfers between functions or from contingency appropriations may be made with a report of such transfers made to the Board of Education.
- (D) Transfers between funds shall not be made without prior approval of the Board of Education.

Section V Copies of this Budget Resolution shall be immediately furnished to the Superintendent and School Finance Officer for direction in carrying out their duties.

**MECKLENBURG COUNTY, NORTH CAROLINA
 CHARLOTTE-MECKLENBURG BOARD OF EDUCATION PROPOSED BUDGET
 FISCAL YEAR 2018-2019**

5000	Instructional Services	
5100	Regular Instructional	\$ 166,462,408
5200	Special Populations	16,485,239
5300	Alternative Programs	12,605,777
5400	School Leadership Services	26,189,725
5500	Co-Curricular	5,347,639
5800	School-Based Support	<u>19,532,155</u>
	Subtotal Instructional Services	\$ 246,622,943
6000	System-Wide Support Services	
6100	Support and Development	\$ 9,008,485
6200	Special Population Support and Development	2,365,613
6300	Alternative Programs Support and Development	2,140,135
6400	Technology Support	11,981,936
6500	Operational Support	92,381,818
6600	Financial and Human Resource Services	19,861,333
6700	Accountability	4,711,741
6800	System-wide Pupil Support	3,876,604
6900	Policy, Leadership and Public Relations	<u>12,891,812</u>
	Subtotal System-Wide Support Services	\$ 159,219,477
7000	Ancillary Services	
7100	Community Services	-
7200	Nutrition Services	<u>43,077</u>
	Subtotal Ancillary Services	43,077
8000	Non-Programmed Charges	
8100	Payments to Charter Schools	53,979,115
8300	Debt Service	-
	Subtotal Non-Programmed Charges	<u>\$ 53,979,115</u>
	TOTAL OPERATING EXPENDITURES	<u><u>\$ 459,864,612</u></u>
9000	Capital Outlay	
9100	Category I Projects	\$ 26,609,616
9200	Category II Projects	950,384
9300	Category III Projects	<u>-</u>
	TOTAL CAPITAL OUTLAY	<u><u>\$ 27,560,000</u></u>

Submitted for Board Approval on August 14, 2018

DETAIL OF CHANGES TO 2017-2018 COUNTY APPROPRIATION

2017-18 BASE BUDGET	\$ 428,744,699
REDUCTIONS/REDIRECTIONS	\$ (5,765,654)
I. SUSTAINING OPERATIONS	
A. Program Continuation	
1. House Bill 90 Enhancement Teachers' Local Supplement	\$ 784,543
Total Sustaining Operations	\$ 784,543
II. INVESTING IN OUR EMPLOYEES	
A. Salaries and Benefits	
1. Salary Increases - local impact of a 6.9% increase for principals, an average 8.84% increase for assistant principals, an average 7% increase for certified staff, a 3% increase for non-certified staff and a board member increase	\$ 13,431,246
2. Local (County) Supplement Increase - 7% increase on supplement amount for teachers and certified staff	6,884,491
3. Health Insurance Rate Increase - from \$5,869 to \$6,104 annually per eligible employee	678,156
4. Retirement Rate Increase - from 17.13% to 18.86% of eligible earnings	<u>3,870,889</u>
Total Investing In Our Employees	\$ 24,864,782
III. STUDENT GROWTH AND ADDITIONAL SPACE	
A. Student Enrollment Growth Costs	
1. Charter School Enrollment Growth - 1,872 new students	\$ 4,352,264
Total Student Enrollment Growth Costs	\$ 4,352,264
B. Additional Facility Space - including new, renovated and repurposed schools	
1. Additional Staffing Allotments for New Schools	\$ 317,314
2. Maintenance and Operating Costs for All Additional Space	<u>605,433</u>
Total Additional Facility Space Costs	\$ 922,747
Total Student Growth and Additional Space Costs	\$ 5,275,011
IV. PROGRAM EXPANSION	
A. Student Support Services	\$ 4,656,787
B. Cultural Proficiency	225,000
C. AVID Expansion	455,858
D. Security Enhancement Staff	<u>623,586</u>
	\$ 5,961,231
2018-2019 PROPOSED COUNTY APPROPRIATION	\$ 459,864,612
INCREASE IN TOTAL COUNTY APPROPRIATION OVER PRIOR YEAR	\$ 31,119,913

**2018-19 PROPOSED CURRENT EXPENSE BUDGET:
COMPARISON TO PRIOR YEAR**

	2018-19 Proposed Budget	2017-18 Adopted Budget	% Change
REVENUES			
State of North Carolina	\$ 884,018,417	\$ 837,795,986	5.5%
Federal and Other Grants	129,294,152	124,499,419	3.9%
Mecklenburg County Appropriation	459,864,612	428,744,699	7.3%
Other and Special Revenue	<u>18,295,000</u>	<u>18,829,236</u>	<u>-2.8%</u>
TOTAL REVENUES	<u>\$ 1,491,472,181</u>	<u>\$ 1,409,869,340</u>	<u>5.8%</u>
EXPENDITURES			
Instructional			
Regular Instructional	\$ 726,941,691	\$ 695,187,281	4.6%
Special Populations	159,318,837	146,062,000	9.1%
Alternative Programs and Services	105,162,943	96,132,408	9.4%
Co-Curricular	6,735,214	6,321,691	6.5%
School-Based Support	<u>80,930,817</u>	<u>74,802,707</u>	<u>8.2%</u>
Total Instructional	1,079,089,502	1,018,506,087	5.9%
Instructional Support			
Support and Development	11,799,874	9,141,251	29.1%
Special Population Support and Development	3,837,933	3,530,474	8.7%
Alternative Programs Support and Development	5,449,589	5,228,919	4.2%
System-wide Pupil Support	<u>3,942,470</u>	<u>4,126,126</u>	<u>-4.5%</u>
Total Instructional Support	25,029,866	22,026,770	13.6%
Operations			
Technology Support	13,398,985	13,776,079	-2.7%
Operational Support	193,689,799	183,417,421	5.6%
Financial and Human Resource Services	22,931,934	22,911,878	0.1%
Accountability	5,189,707	4,698,223	10.5%
Community Services	555,671	539,853	2.9%
Nutrition Services	300,000	300,000	-
Debt Service	0	582,736	-100.0%
Other	<u>2,660,598</u>	<u>3,016,462</u>	<u>-11.8%</u>
Total Operations	238,726,694	229,242,652	4.1%
Leadership			
Policy, Leadership and Public Relations	17,176,059	16,851,515	1.9%
School Leadership Services	<u>77,470,945</u>	<u>73,615,465</u>	<u>5.2%</u>
Total Leadership	94,647,004	90,466,980	4.6%
Charter School Funds	53,979,115	49,626,851	8.8%
TOTAL EXPENDITURES	<u>\$ 1,491,472,181</u>	<u>\$ 1,409,869,340</u>	<u>5.8%</u>

**2018-2019 PROPOSED CURRENT EXPENSE BUDGET:
SUMMARY OF CHANGES TO 2017-2018 BASE BUDGET**

	State	County	Federal and Other Grants	Other and Special Revenue	Total
2017-2018 ADOPTED BUDGET	\$ 837,795,986	\$ 428,744,699	\$ 124,499,419	\$ 18,829,236	\$ 1,409,869,340
REVISIONS TO 2017-2018 ADOPTED BUDGET					
Revisions to Base Budget*	(16,346,325)	-	(3,844,923)	(4,580,129)	(24,771,377)
Sub-Total	(16,346,325)	-	(3,844,923)	(4,580,129)	(24,771,377)
2017-2018 BASE BUDGET	821,449,661	428,744,699	120,654,496	14,249,107	1,385,097,963
REDUCTIONS/REDIRECTIONS					
Reductions/Redirection of Funds to Alternative Use	(243,599)	(5,765,654)	-	-	(6,009,253)
Sub-Total	(243,599)	(5,765,654)	-	-	(6,009,253)
I. SUSTAINING OPERATIONS					
A. Program Continuation	6,614,086	784,543	3,692,156	4,000,000 ^A	15,090,785
Sub-Total	6,614,086	784,543	3,692,156	4,000,000	15,090,785
II. INVESTING IN OUR EMPLOYEES					
A. Salaries and Benefits	55,538,221	24,864,782	4,947,500	45,893	85,396,396
Sub-Total	55,538,221	24,864,782	4,947,500	45,893	85,396,396
III. STUDENT GROWTH AND ADDITIONAL SPACE					
A. Enrollment Growth	-	4,352,264	-	-	4,352,264
B. Additional Facility Space	660,048	922,747	-	-	1,582,795
Sub-Total	660,048	5,275,011	-	-	5,935,059
IV. PROGRAM EXPANSION					
A. Student Support Services	-	4,656,787	-	-	4,656,787
B. Cultural Proficiency	-	225,000	-	-	225,000
C. AVID Expansion	-	455,858	-	-	455,858
D. Security Enhancement Staff	-	623,586	-	-	623,586
Sub-Total	-	5,961,231	-	-	5,961,231
TOTAL 2018-2019 PROPOSED CURRENT EXPENSE BUDGET	\$ 884,018,417	\$ 459,864,612	\$ 129,294,152	\$ 18,295,000	\$ 1,491,472,181

* Includes state revisions, reduction for prior year one-time fund balance appropriation and anticipated revenue adjustments to 2017-18 Adopted Budget.

A Includes a one-time increase in fund balance appropriation of \$4.0 million for the movement and purchase of mobile units.,

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
2018-19 PROPOSED PROGRAM CHANGES

Redirections/Reductions

Change Reference:

<u>Explanation of Change</u>	<u>Description</u>	<u>State Cost</u>	<u>Local Cost</u>
<u>Reductions/Redirection of Funds to Alternative Uses</u>			
1. State Budget Reductions			
The state's 2018-19 adopted budget included a reduction for the 2018-19 budget in two areas. Funding for central office staffing (\$143,599), and Cooperative Innovative High Schools (\$100,000) has been reduced.	Salaries & Benefits	(\$143,599)	
	Purchased Services	(\$100,000)	
	Totals	<u>(\$243,599)</u>	
2. County Funding Redirections			
During the budget process, new initiatives were identified as priorities for funding in FY 2018-19. While we received a significant portion of our funding request from the county, the additional funding did not cover all of the new initiatives we have planned. Therefore, additional redirections from our existing budget are required to cover some of the unfunded priorities. Those redirections include:			
Staffing			
Due to a decrease in the number of identified students which lowered the (IS) percentage used in our student weighted staffing formula as well as an overall anticipated decline in enrollment, vacant and unallocated teacher and assistant principal positions were eliminated from the budget. In addition, a change was made to the media coordinator allotment formula eliminating 14 vacant positions.	Salaries & Benefits		<u>(\$3,500,710)</u>
Central Office Reductions			
Various budget reductions were made across many of the central office departments including professional development stipend and substitute pay, contracted services, workshops, travel, supplies and equipment. In addition, unemployment insurance was also reduced based on a declining cost trend.	Salaries & Benefits		(\$1,231,383)
	Purchased Services		(\$722,273)
	Supplies & Materials		(\$295,288)
	Equipment		<u>(\$16,000)</u>
	Total		<u>(\$2,264,944)</u>
Total Redirections/Reductions		<u>(\$243,599)</u>	<u>(\$5,765,654)</u>

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
2018-19 PROPOSED PROGRAM CHANGES

I. Sustaining Operations

Change Reference: I.A

Explanation of Change	Description	State Cost	Local Cost
A. Program Continuation			
1. House Bill 90 Enhancement Teachers' Local Supplement			
House Bill 90 provides additional positions to schools to address the phase in of class size requirements over four years. Specifically, the bill creates an allotment for program enhancement teachers (i.e. art disciplines including dance, music, theater and the visual arts, as well as physical education, health programs, and world languages). This legislation phases in funding for the newly created enhancement teacher allotment starting in the 2018-19 school year. CMS is estimated to receive approximately 90 positions in 2018-19, therefore, funding is requested to provide the local salary supplement for 90 teacher positions.	Salaries & Benefits	<u>\$5,637,619</u>	<u>\$784,543</u>
8. Other State Adjustments			
The budget estimates were adjusted for state funding in the categorical allotments for instructional support, central office administration, longevity, driver education, advanced teaching roles, disadvantaged students, exceptional children, academically gifted, limited english (LEP), after school quality improvement and transportation. A new grant for coding and mobile app was included. Textbooks, Instructional technology, summer reading, school connectivity and at risk student services carryover funding was also adjusted.	Salaries & Benefits	\$228,366	
	Purchased Services	\$1,146,136	
	Supplies & Materials	<u>\$5,784,924</u>	
	Total	<u>\$7,159,426</u>	
9. State Average Salary Adjustment			
After analysis of 2017-18 salary costs paid for state funded positions, it was determined that the budgeted salary should be adjusted. The state will pay the actual salary cost for position allotments in accordance with the state salary schedule. So this adjustment is only to more closely reflect anticipated costs.	Salaries & Benefits	<u>(\$6,182,959)</u>	
Total Sustaining Operations		<u>\$6,614,086</u>	<u>\$784,543</u>

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
2018-19 PROPOSED PROGRAM CHANGES

II. Investing In Our Employees

Change Reference: II.A

Explanation of Change	Description	State Cost	Local Cost
A. Salaries and Benefits			
1. Salary Increase			
<p>The state legislature approved salary increases of an average 6% -7% for certified staff and a 2% increase for non-certified full time staff and will make the appropriate state budget adjustments to cover this increase for state paid employees. CMS identified central office redirects to give an additional 1% increase to non-certified staff. The county appropriation was sufficient to allow for the proposed 7% average increase for locally funded certified staff.</p> <p>The state legislature approved a revision to the rubric for principal salaries and adjusted the salary schedule for assistant principals and will make the appropriate state budget adjustments to cover this increase. This budget includes a 6.9% salary increase for principals and an average 8.84% increase for assistant principals.</p>	Salaries & Benefits	<u>\$42,699,828</u>	<u>\$13,431,246</u>
2. Local (County) Supplement Increase			
<p>Recruiting and retaining highly qualified teachers continues to be a key priority for the district. Currently, CMS is third in the state in the average local supplement paid to certified staff. In order to remain competitive with districts nearby in recruiting and retaining top talent, CMS is making this first request to increase the county supplement for teacher pay recognizing the supplement rate has not changed since 2012. This increase of seven percent to the county supplement amount will provide a modest but needed increase for our teachers (i.e. using the current year base salary, a teacher with 10 years of experience would receive an increase of \$42.63 per month or \$1.98 per day for 10 months).</p>	Salaries & Benefits	<u>\$0</u>	<u>\$6,884,491</u>
3. Health Insurance Rate Increase			
<p>The employer-paid portion of the state health insurance rate increased from \$5,869 to \$6,104 annually which represents a 4% percent increase. Funds are needed to provide the state mandated increase for all full-time positions.</p>	Salaries & Benefits	<u>\$3,169,866</u>	<u>\$678,156</u>

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
2018-19 PROPOSED PROGRAM CHANGES

Change Reference: II.A (Continuation)

Explanation of Change	Description	State Cost	Local Cost
4. Retirement Rate Increase			
The employer-paid portion of the state retirement plan rate increased from 17.12% to 18.86% of eligible earnings annually. Funds are needed to provide the state mandated increase for all full-time positions.	Salaries & Benefits	<u>\$9,668,527</u>	<u>\$3,870,889</u>
Total Investing In Our Employees		<u>\$55,538,221</u>	<u>\$24,864,782</u>

III. Student Growth and Additional Space

Change Reference: III.A

Explanation of Change	Description	State Cost	Local Cost
A. Enrollment Growth Costs			
1. Charter School Enrollment Growth			
Based on the projected increase in charter school student enrollment and additional county funding, funding is needed to increase our charter school pass-through budget so we can meet our statutory obligation to charter schools. Charter-school enrollment of Mecklenburg County students is expected to increase by 1,872 students. Since the prior year enrollment increase was not as high as expected, the requested amount has been reduced which adjusts the budget to the appropriate level for the total charter enrollment projected for 2018-19.	Other		<u>\$4,352,264</u>
Total Enrollment Growth Costs		<u>\$0</u>	<u>\$4,352,264</u>

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
2018-19 PROPOSED PROGRAM CHANGES

IV. Program Expansion and New Initiatives

Change Reference: **IV.**

Explanation of Change	Description	State Cost	Local Cost
A. <u>Student Support Services</u>			
<p>CMS is committed to maximizing academic achievement and ensuring that all schools are safe places where every child feels welcome, engaged and nurtured . A growing body of evidence shows that social and emotional well-being is the foundation for emerging cognitive abilities. In the school setting, student services staff are key personnel in the development of healthy social and emotional mindsets for children. To best prepare students for academic growth and development, CMS must have counselors, psychologists and social workers in schools to support all students.</p>	Salaries & Benefits		\$4,356,787
	Purchased Services		\$40,000
	Supplies & Materials		<u>\$260,000</u>
	Totals		<u>\$4,656,787</u>

The addition of elementary school counselors will support the district's efforts to improve students' social emotional learning and behavioral skills. School counselors provide classroom lessons, consultation, and leadership for students and staff in these critical areas. They also provide small group and individualized interventions for students in need of supplemental or intensive behavioral and emotional interventions. Currently, CMS has 180 elementary school counselors. This equates to a 1:411 overall elementary school counselor to elementary student ratio. The addition of 33 elementary counselors would reduce the school counselor to student ratio to an average of 1:347.

CMS would also like to invest in a web-based tool that supports students in having a clear plan for their high school career that is directly connected to their post-high school aspirations. Students are supported in determining career aptitude, classes that would support this path, and the types of classes they should take for the universities they are interested in attending, etc. The tool also allows school counselors and students to send electronic transcripts to colleges and universities, easing the college application process greatly. The tool acts to promote and improve student engagement by making clear the connection between the present and students' college and career aspirations.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
2018-19 PROPOSED PROGRAM CHANGES

Change Reference: **IV. (Continuation)**

Explanation of Change	Description	State Cost	Local Cost
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A. Student Support Services (Continuation)

School social workers provide their students and families with critical linkages to resources both in the community and in the school setting. Families in need of basic supports such as clothing, shelter, and food will be able to receive direct support and guidance from their school social worker. School social workers will also broaden the availability of group and individual counseling services in the buildings to which they are assigned. Finally, they play key roles in supporting students in addressing chronic absenteeism. Social Workers presently support 50 Title I schools. The addition of 17 positions will allow CMS to provide a social worker for 67 of 78 Title I schools.

CMS is in the midst of a major push to solidify our Multi-Tiered Systems of Support (MTSS). MTSS is a system of data-driven problem-solving and research-based instructional practices used to address concerns for all students. School psychologists are the only group of professionals trained in the MTSS framework as part of their graduate programs. At this time, schools have struggled to understand the framework- both how to put it in place and how to address student needs using a tiered approach. The addition of more school psychologists will allow us to use them to support the general education intervention process through behavioral and academic consultation, data interpretation, MTSS framework implementation, and MTSS process support inclusive of intervention delivery and progress monitoring support.

At present, CMS has 70 school psychologists in the budget. School psychologists are itinerant, providing services to students at 2 or 3 schools, with ratios of approximately 1:2100. The addition of 10 school psychologists would reduce the student ratio to an average of 1:1848.

In 2014-15, CMS started a phase-in plan to add additional student support services positions. Funding is requested for 33 school counselors, 17 social workers and 10 psychologists to continue the next phase of this plan.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
2018-19 PROPOSED PROGRAM CHANGES

Change Reference: **IV. (Continuation)**

Explanation of Change	Description	State Cost	Local Cost
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B. Cultural Proficiency

As part of the district's mission to maximize academic achievement by every student in every school, the Office of Diversity & Inclusion is responsible for strengthening educators' cultural proficiency to better serve all students and improve student outcomes. As CMS – and our nation – become more diverse, our mission is to help educators better serve students from cultures that may be different from their own. CMS' commitment to cultural competence 1) supports employees in expanding their capacity to work successfully within and across various cultures; 2) supports each of our diverse learners to reach their full academic potential, graduate college- and career-ready and thrive in an increasingly-diverse global workplace; and 3) engages and embraces the diverse population that is served by CMS. Funding is requested to provide training for approximately 800 staff across the district.

Purchased Services

\$225,000

C. Advanced Via Individual Determination (AVID) Expansion

AVID trains educators to use proven practices in order to prepare students for success in high school, college, and a career, especially students traditionally underrepresented in higher education. AVID brings research-based strategies and curriculum to educational institutions in elementary, secondary, and higher education. The AVID System annually provides 60,000+ educators with training and methodologies that develop students' critical thinking, literacy, and math skills across all content areas throughout the entire country. As a result, policymakers and educators now consider AVID's mission to be an essential strategy for closing the achievement gap, making college access and success available to all students. Funding is requested to provide AVID training and support for 31 additional schools.

Purchased Services

\$455,858

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
2018-19 PROPOSED PROGRAM CHANGES

Change Reference: **IV. (Continuation)**

Explanation of Change	Description	State Cost	Local Cost
D. <u>Security Enhancement Staff</u>			
<p>The safety of our students is important. By providing additional police officers to our school campuses we demonstrate the value we have to provide a safe learning environment for all students. It also shows our staff that we care about the safety of everyone. School Resource Officers can prevent school violence, provide support and assistance to at risk kids, divert youth from the criminal justice process and create a safe, secure learning and teaching environment. Additional police officer positions will enhance our coverage at schools that do not have an assigned School Resource Officer. The new officers will perform all duties of other resource officers but will be responsible for multiple schools. There are currently two police officers that protect all CMS elementary schools.</p> <p>CMS has already installed electronic door locks on most doors at all CMS school sites. These locks are crucial to provide a safe learning environment for CMS students. However, these locks need to be maintained, repaired and replaced on a consistent basis. Locksmiths and electronic specialists are required to maintain, repair and replace these locks.</p> <p>Funding is requested to provide five new police officers as well as two locksmiths and two electronics specialists. Funding is also requested for supplies, equipment and uniforms for the new police officers.</p>	Salaries & Benefits		\$552,628
	Purchased Services		<u>\$70,958</u>
	Supplies & Materials		<u>\$623,586</u>
Total Program Expansion and New Initiatives			<u>\$5,961,231</u>

CAPITAL OUTLAY BUDGET
SCHEDULE OF REVENUES AND EXPENDITURES

	2018-19 Proposed Budget	2017-18 Adopted Budget	2016-17 Adopted Budget	2015-16 Adopted Budget
REVENUES				
County	27,560,000	22,960,000	22,960,000	12,960,000
TOTAL CAPITAL OUTLAY REVENUES	\$ 27,560,000	\$ 22,960,000	\$ 22,960,000	\$ 12,960,000
EXPENDITURES				
<u>Buildings and Sites</u>				
Roofs	\$ 4,845,293	\$ 5,451,889	\$ 6,607,518	\$ 1,215,000
Heating and Air Conditioning	5,485,939	3,899,014	3,076,748	3,373,493
Asphalt Resurfacing & Paving	3,313,384	3,294,577	4,990,050	25,000
Plumbing	1,070,000	-	-	-
Carpeting	-	391,372	150,000	90,000
Stage Curtains	-	25,000	25,000	10,000
Sites	4,125,000	4,560,970	4,880,300	656,063
Renovations	907,000	3,341,539	2,345,000	5,494,000
Electrical	2,263,000	1,085,255	135,000	69,000
Total Buildings and Sites	<u>\$ 22,009,616</u>	<u>\$ 22,049,616</u>	<u>\$ 22,209,616</u>	<u>\$ 10,932,556</u>
<u>Furniture and Equipment</u>				
Classroom and Office Equipment	\$ 550,384	\$ 550,384	\$ 550,384	\$ 1,682,258
Computer Equipment - Instructional	100,000	100,000	100,000	100,000
Vehicles	200,000	160,000	-	145,186
Insurance Claims	100,000	100,000	100,000	100,000
Total Furniture and Equipment	<u>\$ 950,384</u>	<u>\$ 910,384</u>	<u>\$ 750,384</u>	<u>\$ 2,027,444</u>
<u>Additional Capital Projects</u>				
School security enhancement	4,600,000	-	-	-
Total Additional Capital Projects	<u>\$ 4,600,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL CAPITAL OUTLAY EXPENDITURES	\$ 27,560,000	\$ 22,960,000	\$ 22,960,000	\$ 12,960,000

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION

CHILD NUTRITION PROGRAM

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS

	FY 2018-19 Proposed Budget	FY 2017-18 Adopted Budget	FY 2016-17 Actual Expenditures	FY 2015-16 Actual Expenditures
OPERATING REVENUES:				
Student Meals	\$ 5,189,621	\$ 5,136,555	\$ 5,294,915	\$ 5,241,383
Supplemental Sales	6,380,302	6,730,322	6,590,577	6,867,675
Total Operating Revenues	11,569,923	11,866,877	11,885,492	12,109,058
OPERATING EXPENSES:				
Food and Commodities	27,774,216	27,192,993	27,065,269	26,400,964
Salaries	24,849,450	24,641,127	22,386,892	22,043,870
Employee Benefits	6,859,352	6,178,820	5,908,497	4,479,978
Materials and Supplies	1,989,712	2,284,918	1,896,072	2,218,367
Depreciation	1,701,572	1,760,734	1,732,002	1,709,451
Contracted Services	3,683,848	3,568,137	3,484,400	3,464,211
Other	4,676,227	4,711,034	4,233,214	4,573,819
Total Operating Expenses	71,534,377	70,337,763	66,706,346	64,890,660
OPERATING INCOME (LOSS)	(59,964,454)	(58,470,886)	(54,820,854)	(52,781,602)
U.S. Government Subsidy and Commodities	58,467,840	57,670,886	57,184,671	57,428,705
Interest Revenue and Other Misc. Revenue	1,196,614	500,000	748,972	970,250
Total Non-Operating Revenue	59,664,454	58,170,886	57,933,643	58,398,955
INCOME (LOSS) BEFORE OPERATING TRANSFER	(300,000)	(300,000)	3,112,789	5,617,353
OPERATING TRANSFER FROM GENERAL FUND	300,000	300,000	260,549	347,250
Change in Net Position	-	-	3,373,338	5,964,603
Total Net Position - Beginning of Year*	43,346,336	43,346,336	39,972,998	34,008,395
Total Net Position - End of Year**	\$ 43,346,336	\$ 43,346,336	\$ 43,346,336	\$ 39,972,998

* Based on prior year actuals

** Includes fund balance invested in fixed assets

CHILD NUTRITION PROGRAM

COMPARISON OF MEAL PRICES

		BREAKFAST			LUNCH		
		Elementary	Secondary	Adult	Elementary	Secondary	Adult
2018-19	Proposed	No Charge	No Charge	A La Carte	\$ 2.25	\$ 2.50	A La Carte
2017-18	Adopted	No Charge	No Charge	A La Carte	\$ 2.25	\$ 2.50	A La Carte
2016-17		No Charge	No Charge	A La Carte	\$ 2.25	\$ 2.50	A La Carte
2015-16		No Charge	No Charge	A La Carte	\$ 2.25	\$ 2.50	A La Carte
2014-15		No Charge	No Charge	A La Carte	\$ 2.25	\$ 2.50	A La Carte
2013-14		No Charge	No Charge	A La Carte	\$ 2.25	\$ 2.25	A La Carte
2012-13		\$ 1.25	\$ 1.25	A La Carte	\$ 2.15	\$ 2.15	A La Carte
2011-12		\$ 1.25	\$ 1.25	A La Carte	\$ 2.05	\$ 2.05	A La Carte
2010-11		\$ 1.25	\$ 1.25	A La Carte	\$ 2.00	\$ 2.00	A La Carte
2009-10		\$ 1.25	\$ 1.25	A La Carte	\$ 2.00	\$ 2.00	A La Carte
2008-09		\$ 1.25	\$ 1.25	A La Carte	\$ 2.00	\$ 2.00	A La Carte
2007-08		\$ 1.25	\$ 1.25	A La Carte	\$ 2.00	\$ 2.00	A La Carte

AFTER SCHOOL ENRICHMENT PROGRAM
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS

	2018-19 Proposed Budget	2017-18 Adopted Budget	2016-17 Actual Expenditures	2015-16 Actual Expenditures
OPERATING REVENUES:				
Participant Fees	\$ 13,973,335	\$ 13,951,312	\$ 13,972,208	\$ 13,295,021
OPERATING EXPENSES:				
Salaries	8,890,640	9,030,633	8,835,408	8,165,714
Benefits	2,271,607	2,042,979	2,003,513	1,493,531
Food Costs	407,541	709,186	462,796	399,579
Material and Supplies	233,831	310,155	243,476	391,976
Contracted Services	634,339	534,957	280,493	292,356
Other	1,610,377	1,352,402	1,651,462	1,495,666
Total Operating Expenses	<u>14,048,335</u>	<u>13,980,312</u>	<u>13,477,148</u>	<u>12,238,822</u>
OPERATING INCOME (LOSS)	(75,000)	(29,000)	495,060	1,056,199
NON-OPERATING REVENUES:				
Interest Income	75,000	29,000	59,939	36,231
Contributions and Grants		-	-	-
Total Non-Operating Revenue	<u>75,000</u>	<u>29,000</u>	<u>59,939</u>	<u>36,231</u>
Change in Net Position	-	-	554,999	1,092,430
Total Net Position - Beginning of Year*	4,393,871	4,393,871	3,838,872	2,746,442
RETAINED EARNINGS - End of Year	<u>\$ 4,393,871</u>	<u>\$ 4,393,871</u>	<u>\$ 4,393,871</u>	<u>\$ 3,838,872</u>
Average number of participants students per week	6,200	6,200	6,100	6,100

* Based on prior year actuals