



Public Schools of North Carolina

2019 Legislative Expansion Budget Proposal



Eric C. Davis
NC State Board of Education Chair

March 14, 2019

2019-2021 K-12 Education Joint Expansion Budget Process

- The Governor requested a 2% expansion budget proposal.
- SBE solicited input from DPI, State Superintendent and K-12 education stakeholders.
- Final proposal to Governor reflects approval by SBE, upon agreement from State Superintendent.

2019-2021 Expansion Budget

	Recurring	Non-recurring	Total
Total DPI Request	*\$11,227,931	\$1,461,000	*\$12,688,931
Total Public School Funds	\$177,857,209	\$275,000	\$178,132,209
2% Expansion Request	\$189,085,140	\$1,736,000	190,821,140
*\$5.5M of total DPI request is for direct-impact school support related services			
Budget base for 2% calculation	\$9,541,056,979		



State Board of Education Budget Priorities

- **Recruit & Retain Top Talent: #1 in Southeast**
 - Teacher, principal and employee competitive compensation
- **Safe Schools and Healthy Students**
 - Nurses, counselors, psychologists, social workers, resource officers
 - School facilities
 - Student nutrition
- **Quality Education for Every Student**
 - Early learning: Read to Achieve
 - Turnaround low-performing schools
 - School options to address every child's needs
 - Personalized learning & instructional supports
- **Quality Educators**
- **Agency Infrastructure & Resources**
- **Data-Driven Decisions & Aligned Resources**



Special Comments

Color-coding on following slides denotes items included in:

- **Green:** SBE/DPI/Superintendent joint budget, separate Superintendent budget AND Governor budget.
- **White:** SBE/Joint budget OR Governor's budget but NOT both.

Asterisk: SBE/DPI/Superintendent joint budget but NOT separate Superintendent budget.

Notes:

- Requested amounts or special provisions may vary across budgets.
- Non-inclusion in SBE/DPI/Superintendent joint budget does not indicate lack of support by SBE for requested item. SBE/Joint budget priorities reflect limit of 2% expansion request.
- Separate Superintendent requests that are not reflected in “joint budget” are not accounted for in this presentation.



Recruit & Retain Top Talent

	Expansion Budget Item	SBE/DPI/ Superintendent Joint Request	Governor
Effective Educators	Principal & teacher pay (including advanced roles pay) is in addition to expansion budget requests.	Goal is #1 in Southeast: Teacher and Principal Compensation Competitive Compensation for All Employees	9.1% avg Teacher Increase + \$6.8M Master's Pay + \$500K Advanced Roles + \$6.5M R Elimination of \$50/day for Substitute Teacher + \$500K New Teacher Support + \$1.9M to cover National Board Cert + \$1.8M Recruit, Retain, Support Teachers of Color + \$300K "Grow Your Own" Teachers \$5M/\$10M Principal Increase + \$5.6M/\$10.5M Asst Principal \$500 or 1.5% Increase Other Employees
	Teacher Recruitment Tool	\$400K R	\$400K R
	Licensure System Enhancements	\$65K R* \$361K NR*	\$65K R \$361K NR

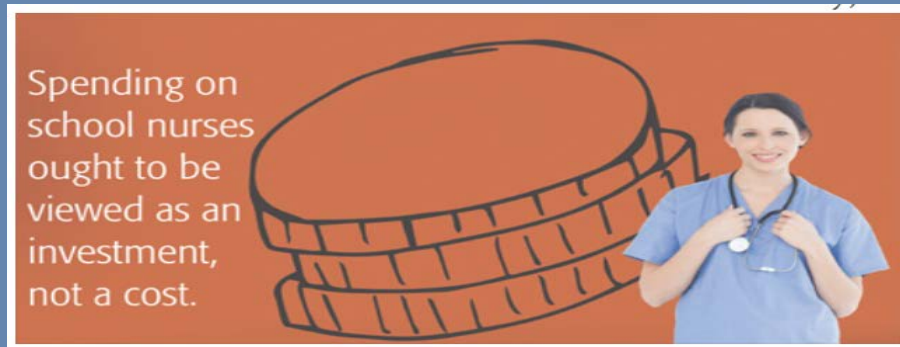
School Support Positions

	National Recommended Ratio (1 FTE: ADM)	2017-18 NC Ratio (1FTE: ADM)	Total Requirements (assuming charters needs match same rate as LEAs)
Nurses	1:750	1:1055	\$47,473,717
Psychologists	1:700	1:1857	\$104,516,408
Counselors	1:250	1:351	\$134,880,048
Resource Officers	1:1000	1:1209	\$13,963,905
Social Workers	1:250	1:1427	\$387,415,545
Total requirements			\$688,249,623

SBE funding request would allow for 10-year implementation to meet national recommended ratios.



School Support: Return on Investment



2011 Study Assessed Value of School Nurses in a School District:

- ~17,000 students: 16 schools w/o nurse
- Time reported on student health issues:
 - Teachers = 26 minutes/day
 - Clerical staff & APs = >60 minutes/day
- With nurses on school campuses, schools reported time savings of ~13 hours/day
- Nurses saved ~\$133k/yr in school staff time spent on student health services
- Separate Massachusetts's study found nurse program present in schools prevented:
 - \$20 million in medical costs
 - \$28.1 million in parental productivity loss
 - \$129.1 million in teacher productivity loss

2017 Program Evaluation Division Nurse's Study



Safe Schools and Healthy Students

	Expansion Budget Item	SBE/DPI/ Superintendent Joint Request	Governor
Physical & Mental Health	School Support Positions/Safety funds: toward goal of national recommended ratios	\$71.5M R	\$40M R
Safe Facilities	Investment in School Capital Infrastructure	Supportive of State funding for school construction	\$3.9B bond
	Public Safety Improvements Reserve: building improvements, training, equipment, etc.		\$15M NR
Student Nutrition	\$5M student co-pay for Free & Reduced Lunch (40 cents/pupil)	\$5M R*	\$5M R
	\$15M placeholder for federally-assisted School Nutrition Programs to purchase locally-grown agricultural products	\$15M R*	

Quality Education for Every Student

	Expansion Budget Item	SBE/DPI/ Superintendent Joint Request	Governor
Early Literacy	Pre-K Seats (DHHS)		
	\$1M local grants for innovative kindergarten readiness initiatives	\$1M R	
	SBE requesting adjustments in Read to Achieve Funding use restrictions to maximize student outcomes	Existing funding	
Low-Performing Schools & Students	<i>Innovative School District Operating Funds</i>	\$300K R*	
	College Career Readiness Graduate remediation tool (1 FTE)	\$450K R*	
	Rowan Salisbury Renewal District Evaluation	\$300K NR*	\$300K NR

Student & School Support Regional Model

	Expansion Budget Item	SBE/DPI/ Superintendent Joint Request	Governor
Turn around low- performing schools	Specialized Instructional Support (SIS): support for Counselors, Social Workers, Nurses, Psychologists & coordination of regional service providers/partners (1 DPI-based consultant) (9 FTEs)	\$900K R	\$900K R
	Military Family Counselors & Training/Pgm startup; DPI FTE support for military districts (3 FTEs)	\$350K R	\$350K R
	Regional Accountability Coordinators (RACs) (2 FTEs)	\$400K R*	\$400K R
	School Building Technology Regional Support, \$4M technology internships & OE (8 FTEs)	\$5.04M R*	\$1M R
	Talent Dev Staff: Advanced Learning (8 FTEs)	\$1M R*	\$1M R
	Personalized Learning & Standards / Curriculum & Instruction Support (8 FTEs)	\$1.05M R*	\$1.05M R



Educational Opportunities for Every Student

	Expansion Budget Item	SBE/DPI/ Superintendent Joint Request	Governor
Educational Opportunity for All Students	9 Additional Cooperative Innovative High Schools	\$1.51 R*	\$1.51M R
	Residential Schools renovations, repairs and operating funds	\$3M R*	\$1.5M R
	Governor's School Operating Funds	\$200K R*	\$300K R
	Academically Gifted Students (grants focused on increasing under-represented populations)		\$3M R

Personalized Learning

	Expansion Budget Item	SBE/DPI/ Superintendent Joint Request	Governor
Personalized Learning Tools, Materials & Curriculum Content	Statewide student learning mgt. system	\$3.9M R	\$4M NR
	School textbooks/digital learning resources	\$10M R	\$10M NR
	Statewide contract: instructional on-line content	\$6M R*	
	Restore \$2.4M Digital Learning funds	\$2.4M R	
	Instructional materials & classroom supplies for personalized learning	\$18M R*	\$15M NR
	Homework Gap (DIT budget)		\$5M R

Quality Educators

	Expansion Budget Item	SBE/DPI/ Superintendent Joint Request	Governor
Personalized Learning Professional Development & Initiatives	\$5.6M digital literacy, personalized learning, etc. professional development	\$5.6M R	\$5.825M R (\$500K NCCAT + \$5M teacher PD + \$325K principal PD)
	Home Base professional learning 2 FTEs & on-line professional learning licenses	\$262,931 R*	\$250K R

Updated and Secure Systems

	Expansion Budget Item	SBE/DPI/ Superintendent Joint Request	Governor
Up-to-date Financial, Business & Technology Systems (serve students, parents, educators & decision-makers)	Business Systems Modernization	\$30M R	\$20M IT Reserve
	Implement EY recommendations for Student Information System & other systems support & analysis (2 FTEs)	\$2.35M R*	\$2.35M R
	Charter Schools Data Mgt System	\$250K R*	\$250K R
	DIT transition & security patches & software updates	\$150K R*	
	Cybersecurity advisory & consulting services & training	\$550K R*	

Agency Infrastructure and Resources

	Expansion Budget Item	SBE/DPI/ Superintendent Joint Request	Governor
Aligned Resources for Effective & Reliable Services	DPI Purchasing & Contracts 1 FTE	\$130K R*	\$130K R
	Internal Auditor & State Auditor Reports 1 FTE	\$145K R*	\$140K R
	Finance School Business Positions 2 FTEs	\$250K R*	
	DPI Safety Related Capital Improvements	\$500K NR*	
	Technical ADM Adjustments		\$22M /\$44M R

Data Driven Decisions & Aligned Resources

	Expansion Budget Item	SBE/DPI/ Superintendent Joint Request	Governor
Data informed policy & legislation that aligns with improved student outcomes	SBE DOJ Attorneys 2 contracted positions	\$300K R*	
	SBE Rules Coordinator 1 FTE	\$135K R*	\$135K R
	SBE Policy Analyst		\$125K R
	Data Analytics unit and dashboard (5 FTEs)	\$1.2M R	\$998,207 R



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Questions?

Appendix

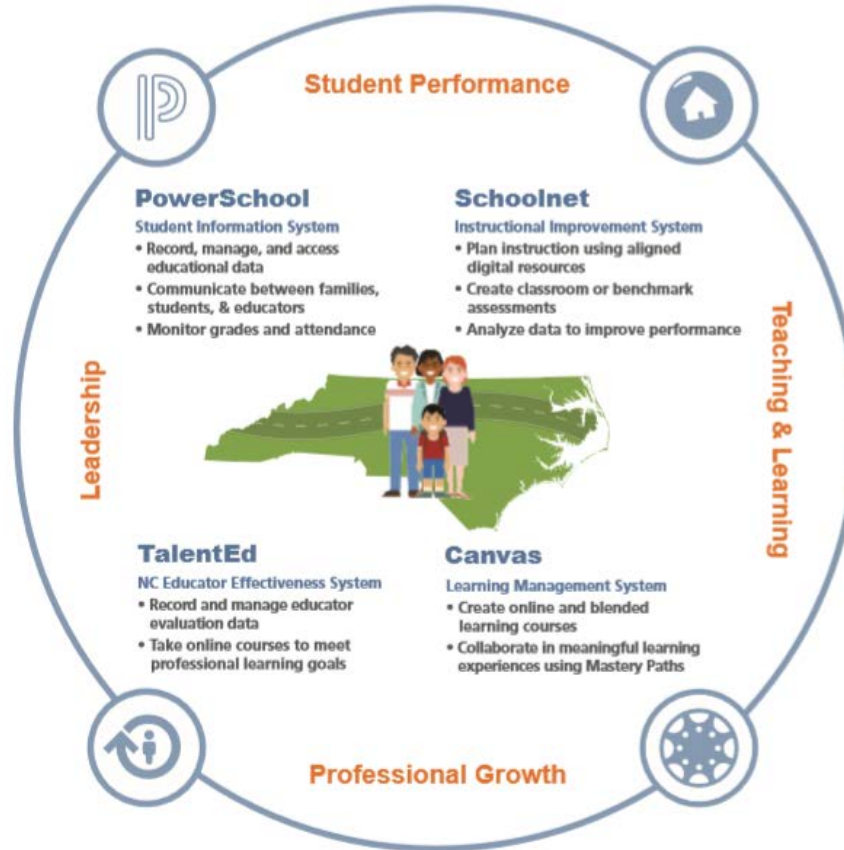


School Support Positions

	National Recommended Ratio (1 FTE: ADM)	2017-18 NC Ratio (1FTE: ADM)	2017-18 LEA FTE Instructional Support - All funded	Total Additional LEA FTE required to meet national average	Average Salary/ Benefits	LEAs Requirements to Achieve National Recommended Ratios	Charters Requirements to Achieve National Recommended Ratios	Total Requirements (assuming charters needs match same rate as LEAs)
Nurses	1:750	1:1055	1348	587	\$75,630	\$44,364,457	\$3,109,259.72	\$47,473,717
Psychologists	1:700	1:1857	781	1,291	\$75,630	\$97,671,175	\$6,845,233.10	\$104,516,408
Counselors	1:250	1:351	4137	1,667	\$75,630	\$126,046,168	\$8,833,879.61	\$134,880,048
Resource Officers	1:1000	1:1209	1200	250	\$52,000	\$13,049,348	\$914,556.71	\$13,963,905
Social Workers	1:250	1:1427	1016	4,787	\$75,630	\$362,042,020	\$25,373,525.18	\$387,415,545
Total requirements						\$643,173,168	\$45,076,454	\$688,249,623

The HOME BASE Ecosystem

High Quality Digital Resources for Every District



Learn more about the Home Base applications at <https://homebase.ncpublicschools.gov/applications>



2019 Non-Appropriation Legislative Requests

Legislative Request and SBE Action

Early Literacy

Partner with GA on **Read to Achieve** recommendations to maximize student outcomes. Examples may include:

District flexibility to deploy unused summer reading camp funds on evidence-based teacher supports.

Targeted spending on evidence-based practices to improve reading scores.

District ability to request teacher, TA and textbook allotment flexibility if plan improves reading.

Strengthen teacher preparation focus on reading instruction.

Greater teacher support: reading coaches and high quality curriculum.

Improve quality of summer reading camps.

Note: SBE budget requests focus on major factors that impact children's 3rd grade reading proficiency.



2019 Non-Appropriation Legislative Requests

Legislative Request and SBE Action

Comprehensive Turn Around Strategy Considerations

Shifting focus from limited, targeted intervention to a model that offers a continuum of progressive support, including but not limited to: Regional System of Support, MTSS, Restart, Turnaround.....and the ISD

Innovative School District process improvements

Refining the identification timeline of and communication process to ISD eligible schools

I-Zone participation w/o retribution of entry to ISD

Schools meeting growth would no longer be considered as low performing

Note: SBE budget requests for regional model, school support positions and data analytics undergird turn-around strategies.



2019 Non-Appropriation Legislative Requests

Legislative Request

SBE Executing with Fidelity

Rulemaking Requirements (extend interim and permanent rule dates by one year)

PEPSC : Stagger terms & reappointments

Licensure Exemption from Rulemaking

Note: SBE budget request for rulemaking coordinator aligns with extension.



2019 Non-Appropriation Legislative Requests

Legislative Request

Local Funding, Accountability & Flexibility

Permanent 15 point A-F grading scale : reverts to 10 point scale next year (NC Economic Stability and School Climate)

School Performance Grades: Partner with GA on Weighting & Composition Model

Calendar, teacher and funding flexibility (districts must apply to SBE)

Textbook & Digital Resources Allotment : Also allow for use of funds for digital resources required for on-line content and textbook rental

Reinstate State Sales Tax Refund for School Districts

Principal Pay – Hold Harmless

Principal Pay Double bonus language: To use School Performance Grade from prior year (fix for this year and for future years)

2017-2019 Biennium & Short-Session Expansion Budget

	Net Additional Appropriation	Net Changes with Receipts	Revised Net Appropriation
2017-18	\$307,182,636	\$377,769,868	\$9,046,403,622
2018-19	\$701,388,440	\$716,422,125	\$9,425,109,426
2018-19 Short-session	\$59,847,276	\$167,847,276	\$9,546,315,927



2017-19: Long Session Expansion Budget

In addition to the base budget, the bulk of the subsequent K-12 state funding for public schools was allocated to the following areas:

- Teacher Compensation: +\$373M
- Principal / Assistant Principal Compensation: +\$41M
- School District Personnel Compensation (\$1K/person): +\$62M
- School Teachers & Other Personnel Retirement & Health Plan \$194M
- Advanced Teaching Roles Pilots \$7.2M NR
- Math/Reading/Veteran Teacher Bonuses: +\$50M (\$15M R)
- Children with Disabilities (cap raised to 12.75%): +\$6.3M
- CTE/EWIC Grants: +\$6.2M (\$2.7M R)
- Textbooks & Digital Resources: +\$11M NR
- Digital Learning Plan \$2.4M
- Charter School Transportation Grant \$2.5M NR
- Business Systems Modernization \$29M NR

***List only reflects highest funded items.**



2018-19: Short Session Expansion Budget

In addition to the planned budget identified in the 2017-19 biennium, the bulk of the subsequent K-12 state funding for public schools was allocated to the following areas:

- Teacher Compensation: +\$11.8M
~9% over biennium
- Principal / Assistant Principal Compensation: +\$12.4M
~6.9% over biennium
- School District Personnel Compensation/Retirement: +\$54.8M
2%
- Math/Reading Teacher Bonuses: +\$22.9M (made recurring)
- School Safety: +\$28M (\$5M R)
- Textbooks & Digital Resources: +\$11M NR

Lottery: Needs-based Public School Capital Fund: +\$171.7M biennium total

*List only reflects highest funded items.

