

Chapel Hill – Carrboro City Schools



Board of Education's
FY 2022 Adopted
Budget
750 S Merritt Mill Road
Chapel Hill, North Carolina 27517
chccs.org

Adopted Budget for the Fiscal Year Ending June 30, 2022

Chapel Hill – Carrboro City Schools Board of Education Members and Principal Officials

Jillian LaSerna, Chair

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August 12, 2021

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EXECUTIVE SUMMARY



Chapel Hill – Carrboro City Schools
750 S Merritt Mill Road, Chapel Hill, NC 27516
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Prepared by the Business and Financial Services Division
(919) 967-8211



CHAPEL HILL CARRBORO CITY SCHOOLS

750 S Merritt Mill Road
Chapel Hill, NC 27516

August 12, 2021

Dear Members of the Chapel Hill and Carrboro School District:

Thank you for reviewing the Chapel Hill – Carrboro City School Board of Education’s Fiscal Year 2021-22 Adopted Budget. This budget represents our best estimate of the needs for our district and is a critical component to planning and growth of our district. I would be remiss if I didn’t note how challenging the past year has been for our school district and the rest of the world. We hope that this adopted budget exhibits our commitment to using our local and global challenges as an opportunity to serve our school community with equity and transparency at the center of all that we do.

This budget is designed with the express purpose of prioritizing the following five key areas:

- Safety of our students and staff;
- Social emotional and mental wellness for all;
- The morale, durability, and resilience of staff, as we all have to be at our best in order to serve and support our students;
- Clear and consistent communication in an effort to help alleviate fears and anxiety; and
- Refocusing and reuniting our students and staff by providing them with tools to support increased socialization, accessing additional services to address unfinished learning and social emotional needs, and gradually acclimating to in-person instruction through Equity Centered Classroom Practices.

Many representatives of our schools and community were involved in the construction of this document. Principals worked with their School Improvement Teams to identify and prioritize needs. Principals then met individually with the leadership team to present their budgetary requests. District leaders also brought requests from their respective departments. Additionally, I met with a diverse group of 15-30+ student representatives from every secondary school and raised three topics that helped provide me with insight into school and district needs from a student perspective. Those three topics centered around: (1) the impact of the pandemic and the disruption of school as they formerly knew it; (2) moving equity from talk to action in order to close the gaps that exist; and (3) connectivity between district administration and students in order to amplify student voice as part of our decision-making processes.

All school and departmental budget requests were compiled and analyzed for themes, and serve as the foundation for our financial plan. As we move toward multi-year planning and evaluation of our programs, the budget will become more detailed over time and clearly represent true needs. Expressed needs will be based on strategic data points which will remain aligned with district priorities in budget development, decision making, equity and engagement, and improved instructional programming.

As an organization, it is essential that we continually strive for more effective, equitable and transparent processes. We believe this budget document is one small step along that journey. I invite you to peruse the following pages, holding us accountable as good stewards of the trust you have placed in our fiscal management.

Our budget document is presented in four primary sections:

Executive Summary - provides a high-level overview of all the sections to follow

Organizational - includes the major goals and objectives of the school district, organizational charts and governance structure, along with a review of the budget process

Financial - presents historical and upcoming budgeted revenues and expenditures, including five years of data

Informational - compiles important data of considerable public interest and includes a glossary of terms

The Board of Education and the District's Administration has worked arduously to enhance the usefulness of this document. We intend to further develop our fiscal plan and its corresponding communications in the years to come, so that it will serve as a better tool of communication between the District and all stakeholders involved. Above all, we will continue to improve the budget process so we can ensure our resources are allocated to maximize our student's success.

Thank you for your continued support. I fully expect you will see a positive return on your investment in our students, staff and schools.

Appreciatively,



Dr. Nyah Hamlett
Chapel Hill – Carrboro City Schools Superintendent

Summary of the Board of Education's FY 2021-22 Adopted Budget

The following narrative presents the highlights of the FY 2021-22 Board of Education's Adopted Budget. It will discuss student data, salary and benefit changes, and changes in revenues for the upcoming fiscal year.

Student Data

The District's budget process begins by carefully considering enrollment projections for the upcoming year. State enrollment projections ultimately determine both State and local funding levels. As of this writing, initial State projections indicate a student enrollment of 12,448. The District estimates 253 students are from out of district, therefore they cannot be counted for funding purposes. The District also estimates 156 students in charter schools within the District. These students must be added in for funding purposes. For this request's purposes, the estimated enrollment, net of these adjustments, is 12,351 Average Daily Membership (ADM).

Salaries and Benefits

District Administration had to account for many moving pieces when planning for the salaries and benefits for the upcoming fiscal year. Firstly, on March 24th the Governor released his proposed biennial budget that included proposed salary increases of 5.7% for certified staff and 5% for classified staff. The absence of any State approved budget and indication from members of the General Assembly led Administration to take more conservative estimates of salary increases for classified and certified staff. The adopted budget includes allocation for 3% raises across the board in anticipation of the General Assembly producing a reduced level of salary increases, if passed at all. These increases amounted to \$818,615 for certified salary increases and \$814,600 for classified salary increases. This also created an increase of \$590,000 to cover the local supplement. These changes produced a total increase of \$2,224,000 for continuing salaries and wages in the adopted budget.

In addition to the salary increases budgeted, Federal and State legislation will establish new employer-required matching rates and annual employer health insurance premiums. Together, these changes require adjustments to our local operational plan as the District must match salary increases for the local portion of teacher salary increases and for all locally-paid employees. The FICA rate is expected to remain at 7.65%, The State retirement matching rate is expected see an increase to 22.27%, up from 21.68% and employer health insurance costs for each permanent employee is expected to see an increase to \$7,046 from \$6,647 for the employer health insurance cost of each employee. Due to the General Assembly's delay in passing a ratified budget, these increases have not been legislated at the time of writing.

Some other considerations noted in the preparation of this budget were the increase to the Orange County Living Wage from \$14.90 per hour to \$15.40 per hour. For the District, this will impact approximately 111 district employees and is expected to cost \$17,650 after accounting for the 3% salary increases across the board already included in the budget. Regardless of what is legislated with the State budget, these increases will be put in place to ensure the District remains compliant with the Living Wage. Additionally, at their June 10th, 2021 meeting, the Board of Education approved an increase to the District's bus driver starting wages, moving the bus driver salary schedule up to begin at \$16.50 per hour. This move represented an approximate 10% raise

for every bus driver in the District. This change impacted approximately 85 bus drivers and is expected to cost \$252,000.

The final salary consideration in the budget is the permanent continuation of the District's Project ADVANCE salary differential for qualifying teachers. Project ADVANCE was a strategic compensation model designed to connect professional learning to teacher and certified support staff salaries. At the March 19, 2020 Board of Education work session, all Project ADVANCE completions as of June 30, 2020 were suspended to coincide with the grant conclusion. The FY 2020-21 Board of Education Adopted Budget included a one-time hold harmless payment for all Project ADVANCE finishers including those in district-supported cohorts using \$968,000 from fund balance. At that time, the board also expressed interest in seeking a more permanent solution during the FY 2021-22 budget cycle. Continuation of the payments as a permanent salary differential will require a recurring budgetary commitment by the District. The FY 2021-22 adopted budget includes \$936,000 to make this a permanent salary differential. This cost is made up of \$719,000 in a continuing salary differential, \$55,000 in matching Social Security and Medicare costs, and \$162,000 of matching State retirement.

FY 2021-22 Revenue Changes

District Administration budgeted for several changes in revenue sources such as interest revenues, removal of interfund, and the special district tax. Estimates indicate a revenue decrease of \$25,000 for next year as a direct result of the reduction in interest rates on the District's funds held in the NC State Treasurer's Short-Term Investment Fund (STIF). In addition, the District removed the transfer from Fund 8 into the local budget that was included in the previous fiscal year to balance the budget. This represents a decrease of \$528,000 in local fund revenues. Orange County held their per pupil local appropriation at FY 2020-21 levels, but the projected increase in ADM created an increase of \$541,500 in county appropriation revenue. The budget also includes an increase of \$689,000 in revenues from the Special District tax. Lastly, the recent bidding process for the District's child nutrition services resulted in the removal of the local fund subsidy to the child nutrition fund as part of the bid agreement. This represents an additional \$225,000 available in the local budget. The net of these changes provides an additional \$902,000 available in the local budget.

One-time Federal Relief Funding

The Federal Government has taken several steps to stimulate an economic recovery to bring us out of the economic downturn at the onset of the COVID-19 pandemic. The earliest instance of relief relevant to the District came in the form of CARES Act Funding early in the current fiscal year. That money was used to provide equitable technology access during the period of total remote learning and to safely restart in-person learning. Subsequent to the CARES Act, the Federal Government has passed two more rounds of funding with the Elementary and Secondary School Emergency Relief (ESSER) Fund. ESSER II is the next round available to the District with a total of \$3,226,426 allotted to the District by the State on March 4th. ESSER III has also been passed for future use and NCDPI's initial planning allotment includes \$7,219,087 for the District, however this has not been finalized and allotted at this time. District Administration recognizes the importance of this stimulus funding; therefore, it will engage in thoughtful planning and analysis to ensure that this Federal money is effectively invested in high-return initiatives for our students before the funds expire in FY 2023-24.

Fund Balance Appropriated

We currently estimate our fiscal year end unassigned fund balance at \$15.5 million. This is approximately \$11 million above our minimum target of 5.5% or \$4.5 million. Although the District historically has assigned \$1 million to balance the current local operating budget, this adopted budget includes a \$2,532,092 fund balance appropriation to balance the budget.

FY 2021-22 Budget Resolution

BE IT RESOLVED by the Board of Education of the Chapel Hill - Carrboro City Schools Administrative Unit:

Fund 1 Expenditures- The following amounts are hereby appropriated for the operation of the school administrative unit in the State Public School Fund for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

Instructional Programs:

Total 5100 - Regular Instructional Services	\$ 46,743,670
Total 5200 - Special Population Services	12,549,684
Total 5300 - Alternative Program Services	3,239,171
Total 5400 - School Leadership Services	3,139,676
Total 5800 - School-Based Services	3,603,794
	69,275,995

Support Services:

Total 6100 - Support and Development Services	58,013
Total 6500 - Operational Support Services	4,917,757
Total 6600 - Financial and Human Resource Services	116,576
Total 6900 -Policy, Leadership, and Public Relations Services	496,405
	5,588,751

Total State Public School Fund Appropriation	\$ 74,864,746
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Fund 1 Revenues- The following revenues are estimated to be available to the State Public School Fund for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

Total 3100 - State Public School Fund Revenue	\$ 74,463,012
Total 3211 - Textbooks	401,734
	74,864,746

Total State Public School Fund Appropriation	\$ 74,864,746
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Fund 2 Expenditures- The following amounts are hereby appropriated for the operation of the school administrative unit in the Local Current Expense Fund for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

Instructional Programs:	
Total 5100 - Regular Instructional Services	\$ 29,747,149
Total 5200 - Special Population Services	10,846,615
Total 5300 - Alternative Program Services	3,395,989
Total 5400 - School Leadership Services	5,338,637
Total 5500 - Co-Curricular Services	2,619,777
Total 5800 - School-Based Services	9,844,470
	<u>61,792,636</u>
Support Services:	
Total 6100 - Support and Development Services	1,425,333
Total 6200 - Special Population Support and Development Services	668,430
Total 6300 - Alternative Programs and Services Support and Development Services	19,322
Total 6400 - Technology Support Services	2,213,254
Total 6500 - Operational Support Services	9,313,736
Total 6600 - Financial and Human Resource Services	2,647,877
Total 6700 - Accountability Services	579,837
Total 6800 - System-wide Pupil Support Services	107,919
Total 6900 -Policy, Leadership, and Public Relations Services	2,825,859
	<u>19,801,567</u>
Ancillary Services:	
Total 7200 - Nutrition Services	2,086
	<u>2,086</u>
Non-Programmed Charges:	
Total 8100 - Payments to Other Governmental Units	850,000
	<u>850,000</u>
Total Local Current Expense Fund Appropriation	<u>\$ 82,446,289</u>

Fund 2 Revenues- The following revenues are hereby estimated to be available the Local Current Expense Fund for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

Total 3200 - State Revenue - Other Funds	\$ 135,000
Total 4100 - Local Sources General	78,894,197
Total 4400 - Local Sources - Unrestricted	665,000
Total 4800 - Local Sources - Restricted	220,000
Total 4900 - Fund Balance Appropriated/Transfer In	2,532,092
	<u>82,446,289</u>
Total Local Current Expense Fund Appropriation	<u>\$ 82,446,289</u>

Fund 3 Expenditures- The following amounts are hereby appropriated for the operation of the school administrative unit in the Federal Grant Fund for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

Instructional Programs:	
Total 5100 - Regular Instructional Services	\$ 202,891
Total 5200 - Special Population Services	1,526,611
Total 5300 - Alternative Program Services	2,985,428
Total 5800 - School-Based Services	112,251
	<u>4,827,182</u>
Support Services:	
Total 6200 - Special Population Support and Development Services	569,059
Total 6300 - Alternative Programs and Services Support and Development Services	99,918
	<u>668,977</u>
Non-Programmed Charges:	
Total 8100 - Payments to Other Governmental Units	58,571
Total 8200 - Unbudgeted Funds	168
	<u>58,739</u>
Total Federal Grants Fund Appropriation	<u><u>\$ 5,554,898</u></u>

Fund 3 Revenues- The following revenues are estimated to be available to the Federal Grant Fund Revenues for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

PRC 017 Vocational Education - Program Improvements	\$ 123,974
PRC 049 IDEA Pre-School Handicapped Grant	39,552
PRC 060 IDEA VI-B Handicapped	1,946,566
PRC 070 IDEA - Early Intervening Services (EIS)	350,491
PRC 165 ESSER I – Digital Curricula	78,917
PRC 166 ESSER I – Canvas Licensing	29,920
PRC 170 GEER – Instructional Services	112,185
PRC 171 CRRSA Emergency Relief Fund – ESSER II	2,873,293
	<u>5,554,898</u>
Total Federal Grants Fund Appropriation	<u><u>\$ 5,554,898</u></u>

Fund 4 Expenditures- The following amounts are hereby appropriated for the operation of the school administrative unit in the Capital Outlay Expense Fund for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

Instructional Programs:	
Total 5100 - Regular Instructional Services	\$ 352,907
	<u>352,907</u>
Support Services:	
Total 6400 - Technology Support Services	225,000
Total 6500 - Operational Support Services	15,000
	<u>240,000</u>
Ancillary Services:	
Total 7200 - Nutrition Services	45,000
	<u>45,000</u>
Capital Outlay:	
Total 9000 - Capital Outlay	6,717,806
	<u>6,717,806</u>
Total Capital Outlay Fund Appropriation	<u>\$ 7,355,713</u>

Fund 4 Revenues- The following revenues are estimated to be available to the Capital Outlay Expense Fund for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

Total 4110 - County Appropriation - Recurring Capital	\$ 1,799,700
Total 4810 - County Appropriation - Capital Investment Plan	4,557,359
Total 4900 - Fund Balance Appropriated/Transfer In	998,654
	<u>7,355,713</u>
Total Capital Outlay Fund Appropriation	<u>\$ 7,355,713</u>

Fund 5 Expenditures- The following amounts are hereby appropriated for the operation of the school administrative unit in the Child Nutrition Services Fund for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

Ancillary Services:

Total 7200 - Nutrition Services	\$ 4,316,000
	<u>4,316,000</u>

Non-Programmed Charges:

Total 8100 - Payments to Other Governmental Units	203,300
	<u>203,300</u>

Total Child Nutrition Fund Appropriation	<u>\$ 4,519,300</u>
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Fund 5 Revenues- The following revenues are hereby estimated to be available to the Child Nutrition Services Fund for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

Total 3800 - Other Restricted Grants	\$ 2,552,300
Total 4300 - Sales Revenues	1,664,200
Total 4400 - Local Sources - Unrestricted	9,500
Total 4880 - Indirect Cost	293,300
	<u>4,519,300</u>

Total Child Nutrition Fund Appropriation	<u>\$ 4,519,300</u>
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Fund 7 Expenditures- The following amounts are hereby appropriated for the operation of the school administrative unit in the Child Care Expense Fund for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

Ancillary Services:

Total 7200 - Nutrition Services	\$ 1,981,189
	<u>1,981,189</u>

Total Community Schools Fund Appropriation	<u>\$ 1,981,189</u>
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Fund 7 Revenues- The following revenues are estimated to be available to the Child Care Expense Fund for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

Total 4200 - Tuition & Fees	\$ 1,658,949
Total 4400 - Local Sources – Unrestricted	260,000
Total 4800 - Local Source - Restricted	12,240
Total 4900 - Transfer from Local Fund	<u>50,000</u>
	<u>1,981,189</u>

Total Community Schools Fund Appropriation	<u>\$ 1,981,189</u>
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Fund 8 Expenditures- The following amounts are hereby appropriated for the operation of the school administrative unit in the Fund 8 - Other Local Funds for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

Instructional Programs:	
Total 5100 - Regular Instructional Services	\$ 1,162,596
Total 5200 - Special Population Services	349,751
Total 5300 - Alternative Program Services	5,852,022
Total 5800 - School-Based Services	2,178,211
	<u>9,542,580</u>
Support Services:	
Total 6300 - Alternative Programs and Services Support and Development Services	74,146
Total 6900 -Policy, Leadership, and Public Relations Services	22,147
	<u>96,293</u>
Total Other Local Revenues Fund Appropriation	<u><u>\$ 9,638,873</u></u>

Fund 8 Revenues- The following amounts are hereby appropriated for the operation of the school administrative unit in the Other Local Fund for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

Total 3200 - State Revenue – Other Funds	\$ 693,989
Total 3700 - Federal Revenue – Other Funds	2,582,865
Total 4100 - Local Sources - General	1,848,000
Total 4200 - Tuition & Fees	500,000
Total 4400 - Local Sources – Unrestricted	3,938,400
Total 4800 - Local Sources – Restricted	75,619
	<u>9,638,873</u>
Total Other Local Revenues Fund Appropriation	<u><u>\$ 9,638,873</u></u>

Section 14 - The Superintendent is hereby authorized to:

Transfer appropriations under the following conditions:

1. Amounts may be transferred between functions of the same purpose of the same fund with a quarterly report of such transfers provided to the Board of Education and entered into the Board's minutes.
2. Amounts may be transferred between sub-functions and objects of expenditures with a monthly report of such transfers provided to the Board of Education being required.
3. Amounts may not be transferred between Fund Codes without prior approval of the Board of Education.
4. Amounts may be transferred in state or federal projects upon prior approval of the appropriate funding agency.
5. For the purpose of year-end closeout only, the Board of Education agrees to suspend the restrictions/provisions of this resolution given that a summary of all such transfers must be reported no later than December 31, 2022 and any such transfers resulting from the extraordinary/unusual occurrences/circumstances must be noted and explained.

Identified Needs in the School Budget Requests

Summary of General Takeaways from Elementary School Budget Requests:

- Our three Magnet/Dual Language schools requested the allocation of a Dual Language Coordinator position to serve as the liaison between the relevant District departments and the three schools.
- The pandemic and remote instruction have undoubtedly created a learning gap that must be remedied as our students return to in-person instruction. Every school indicated requests for increases in tutoring funding to provide additional support that would help fill these gaps.
- At the onset of the pandemic and remote instruction, our schools provided their students with necessary ARC materials to take home and supplement the remote instruction. Many schools noted that it is likely much of these materials will not make their way back to the schools once in-person instruction resumes. As such, many schools included requests to help replenish those resources and to continue implementing ARC training and programs into their curriculum.
- Every school mentioned a focus and a need for additional funding in Social and Emotional Learning (SEL). This will be a vital aspect of our students' learning as they return from over a year of limited social contact. Mental health will be an important issue to monitor with our students.
- Our three Magnet/Dual Language schools included a request for sponsoring visas (H1-B and Permanent Residency) especially for former CHCCS teachers that have been vetted (C3.04). We must be able to retain the Dual Language staff in whom we invest significant time, money, resources, and relationships.

Summary of General Takeaways from Middle School Budget Requests:

- Social Justice must remain at the forefront of our instruction, especially when we return to in person. Several schools mentioned the use of equity-based school wide book studies, equity training for staff, and equity staff teams to ensure there is always an equity lens provided with our instruction.
- Several schools highlighted the importance of addressing the disproportionality in student discipline, whether it be through additional staff training or implementing various student support systems.
- All schools mentioned SEL as a key focus when we ultimately do return to school. Mental health is a real and present concern for many students after being isolated and without much social interaction for the last 12 months. The presence of some form of Mental Health Experts would be a vital part of improving student success upon return.
- The need for remediation and catching up is going to be a major obstacle upon return. Filling the learning gaps created by the extended period of remote instruction will take time and effort beyond the normal scope of the classroom. Additional tutoring and remediation plans need to be in place to ensure our students are set up for success as we move forward.
- The pandemic has placed a burden on the relationship between the schools and the public. There is a lot of work that has to be done to repair these relationships and gain the full trust of the families around the District. Every school highlighted the importance of

family and community engagement and offered several ideas and programs to address this area of need.

Summary of General Takeaways from High School Budget Requests:


- Each high school requested that their Athletic Directors and Athletic Trainers be moved from 10-month employees to 12-month employees.
- Each high school requested the allocation of a testing coordinator at each school.
- Carrboro HS requested an additional AP that would also serve as the testing coordinator
- Additional Funds for First-year Transition.
 - Additional supplies, stipends for staff, and professional development related to first-year support will greatly improve the transition that has to be made by the students as they enter high school.

Our Mission
Our learning environments are intentionally designed to empower, inspire and engage students.




Our Vision
Our schools exist to provide experiences that empower, inspire and engage.

empower • inspire • engage




Student Success

Student Success addresses the academic, social and emotional capacities of students. The Student Success goals assist students in exploring, defining and solving complex problems; pursuing their unique interests, passions and curiosities; and contributing to the community through dialogue, service and leadership - all while supporting to the child's well-being.




Employee Experience

The greatest resource of any organization is its people. Employee Experience refers to all people, processes and systems related to an organization's employees. It includes the skills, knowledge and experience that represent an investment in people. CHCCS is committed to the growth, development and care of its employees.



Family and Community Engagement

Schools are successful when parents, educators and communities lock arms and work together for the benefit of students. Chapel Hill-Carrboro community stakeholders are crucial partners in student success, and, as such, are actively engaged in productive and equitable two-way communications.



Organizational Effectiveness

Education of children is the core mission of the school district. Ensuring all children's success is only possible if the organization is completely aligned and focused on student academic needs, behavioral support, and social and emotional growth. CHCCS is committed to improving our organizational effectiveness and culture to ensure all children succeed.

Board of Education

The Board of Education is comprised of seven community members elected to set policy and direction for the local school district. The Chapel Hill-Carrboro City Schools Board of Education includes seven members who serve four-year terms.

CHCCS School Board's Mission Statement:

To facilitate the CHCCS Mission by establishing and maintaining policies that are in the best interest of our students, communicating and engaging with key stakeholders, and hiring and collaborating with the district superintendent.

**Jillian LaSerna,
Chair**

jillian.laserna@chccs.k12.nc.us



**Deon Temne,
Vice Chair**

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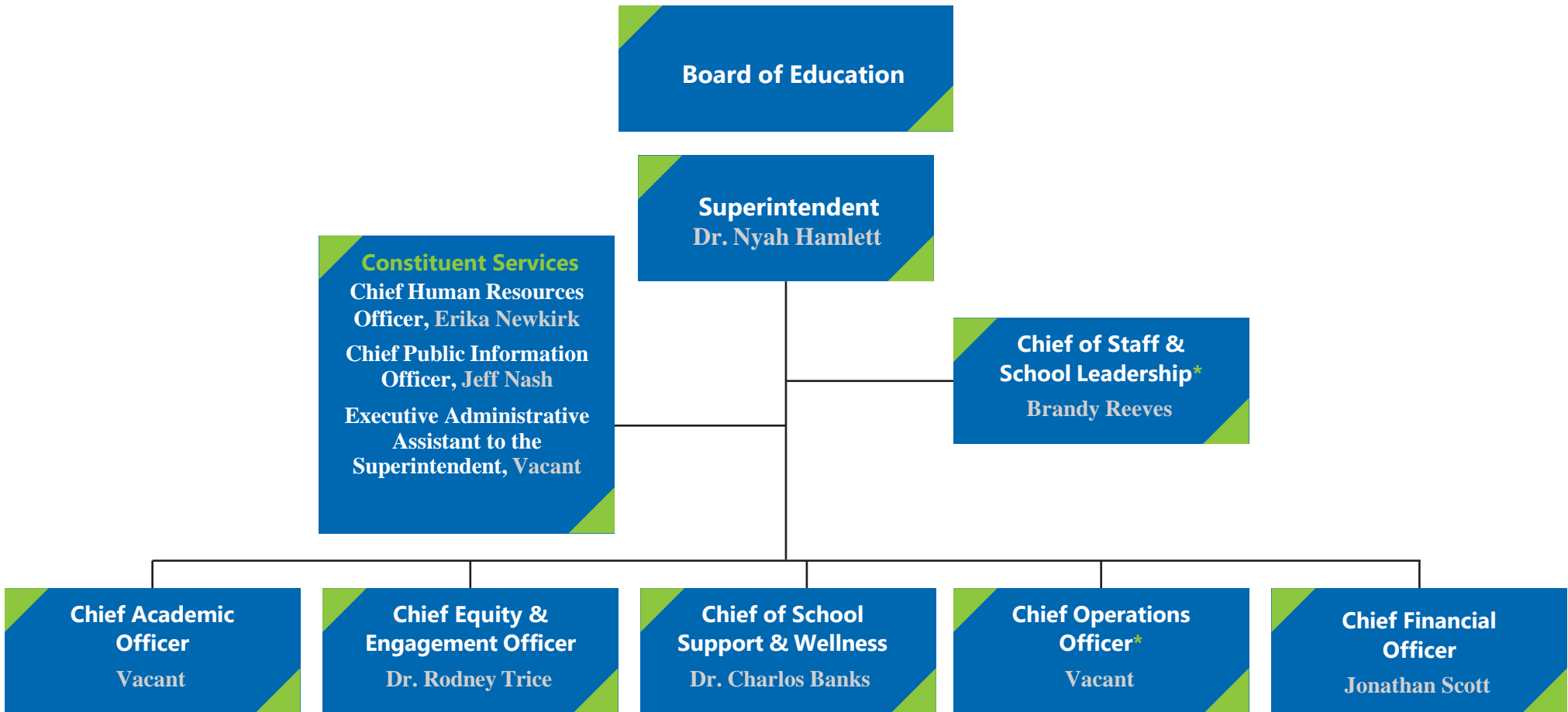


Rani Dasi

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Superintendent's Cabinet & Central Services Division



*Superintendent's designee(s) if/when the Superintendent is out of the office.

FY 2021-22 Budget Preparation Timeline

In accordance with North Carolina General Statute (GS 115C – 428), the Superintendent shall prepare a budget for the ensuing year and submit to the local Board of Education no later than May 1. Before submitting the prepared budget, the Board of Education may choose to hold a public hearing at which time any persons who wish to be heard on the budget may appear. North Carolina LEAs are fiscally dependent on the local governing body, which in the District’s case is the Orange County Board of County Commissioners. After consideration of the budget and the public hearing, the Board of Education will submit the budget to the Orange County Board of County Commissioners no later than May 15 (GS 115C – 429).

The following is a summary of the budget preparation process timeline for the upcoming year:

November - December

- Finance Committee holds preliminary budget discussions
- Cabinet holds Budget Strategy Work Session
- The budget development process for gathering school and department budgets is considered and established

January – February

- Budget Request Worksheets are distributed to schools and departments
- Board of Education holds first budget work session
- Schools present budget requests to Cabinet based on school data, identified needs, schedules, and special circumstances
- Departments submit budget requests to Business and Financial Services Division
- Superintendent presents preliminary budget information to Board of Education

March - April

- Superintendent submits FY2022 Proposed Budget Request to the Board of Education
- Board of Education holds Public Hearing work session
- Board of Education holds budget work session for final consideration and review
- Board of County Commissioners holds budget work session for consideration and review
- Board of Education approves FY2022 Budget Request and submits to the Board of County Commissioners

May – August

- Board of County Commissioners holds Public Hearing on budget
- Board of County Commissioners holds work sessions to review requested budget
- Board of County Commissioners holds final Public Hearing and work session
- Board of County Commissioners adopts FY 2021-22 Local and Capital Fund budget
- Board of Education approves Final Budget Resolution for all Fund Codes

FY 2021-22 Budget Preparation Process

For this year's budget process, the District implemented an improved budget request process to gather data from Schools and Budget Managers. These changes primarily came from the advice and recommendations received from the Board's External Review.

The District updated the budget preparation process to move towards what is known as a "zero base" budgeting process. Essentially what this means is that instead of just adjusting the prior year's numbers, each department will submit a request based on what they predict will be needed in the upcoming year. This will result in a budget that is built solely from the needs of the upcoming year, without much attention to the previous year. This year, it is not intended to jump straight to a purely "zero base" process, so each department will be provided their current budget as a guide, with the ability to request and reallocate for any needs they predict in the upcoming year.

For each line item of the department's budget, we asked the manager to provide a few additional data points beyond the dollar amount requested:

- A Category and Subcategory that the expense fit into (i.e. new growth initiative, enhancement to existing program, continuation, etc.)
- Alignment to the Strategic Plan (Student Success, Employee Experience, Family and Community Engagement, Organizational Effectiveness)
- A written justification to provide details about the expense

We also asked a set of general questions for each request relating to the broader picture of the department within the District:

- A Department Description
- Achievements during the Prior Year
- Major Work Initiatives for the Upcoming Fiscal Year
- What are the equity impacts from this request?

Each piece of requested data is intentional in the overarching goal of building trust with our community. Stating the prior year's achievements and declaring the work initiatives of each department holds each department accountable year over year. The question on equity ensures that equity is at the forefront of everything the District does and documenting the known impacts holds the District accountable in this regard. Aligning each expense with the Strategic Plan ensures that everyone in the District is working in unison towards our District's goals. Justifying each expense ensures transparency and allows the public to gain a deeper understanding of the decisions made by the District.

Changes in Fiscal Management for FY 2021-22

Through the beginning of the current Fiscal Year (2020-21), the Board of Education requested and engaged in an External Financial Review of various processes related to the budget preparation and fiscal management processes of the District. The goal was to identify deficiencies and seek feedback on the many processes that the Business and Financial Services Division manages to ensure smooth and efficient budgeting, purchasing, and fiscal operations of the District. The External Financial Review produced several recommendations to ensure compliance with board policies and statutes, as well as best practices to maximize efficiency in these processes:

Budget Preparation Recommendations

1. As stated earlier, budget managers should identify in the budget process the need for all services contracts, and the consultants recommend following a process for service contracts of over a certain dollar threshold (possibly \$10,000) that was outlined by a staff member during an interview.
2. As a part of the annual budget process, we recommend identifying needs, bidding the anticipated purchases, selecting one or more vendors, contracting for a realistic “not to exceed” and getting Board approval prior to July 1. As described in the best practices section, the contract should be encumbered in early July so that the software will prompt the budget manager and the finance officer if/when the contracted budget amount needs to be exceeded and an amended contract is required.

As stated in the budget preparation process, the District shifted towards “zero-base” budget requests in which each school and department make a request based on their needs for the upcoming year. The budget worksheets provided to each of our schools allowed them to identify service contracts and other needs prior to the start of the fiscal year. Therefore, when the new fiscal year begins, budget managers can encumber the funds necessary to cover those contracts.

Fiscal Management Recommendations

3. When staff members consider purchases with vendors who offer both services and supplies, material, or equipment, the consultants recommend that the contract no longer be considered a contract for services and follow the provisions of Policy 6430.
4. In the operations area, the consultants recommend the current practice for purchases above \$25,000 (the assistant superintendent of operation’s threshold) for all purchases between \$25,000 and \$90,000: identify three vendors who can provide the supplies, material, or equipment; receive informal quotes from at least two vendors (can be collected by phone or e-mail); select the lowest responsible quotation; document the request and response; and then purchase the supplies, materials, or equipment.
5. If construction work is expected to cost between \$30,000 and \$300,000 then the informal bid process outlined in Recommendation #7 should be used: identify three vendors who can complete the construction work; receive informal quotes from at least two vendors (can be collected by phone or e-mail), select the lowest responsible quotation, document the request and response, and then construct the project. (G.S. 133-1.1 requires that architectural and/or engineering (A&E) design services be used on certain projects –

these requirements are reflected in the recommended policy changes for Policy 9030 below).

6. If the construction project is expected to cost in excess of \$300,000, then bid specifications must be prepared by an architect or engineer, with the project formally advertised, and bids solicited. (A pre-bid meeting should be conducted for large complicated projects.) Once the successful bidder is identified, the contract should go to the school board attorney and then to the Board for approval.

The District has revised several policies as a result of the Financial Review. Board Policies 6420, 6430, and 6450 were all reviewed and updated to provide clearer language for intent and understanding for all users. In December, 6420 was revised to clarify the language surrounding multiple contracts with vendors within the fiscal year. Payments to a single vendor cannot exceed \$90,000 in aggregate during a fiscal year. Additionally, contracts cannot be divided between fiscal years to with the purpose of avoiding this threshold. In December, 6450 was also revised to clearly state the situations in which informal bidding and formal bidding are required. In February, 6430 was revised to clarify the language surrounding the Board and Superintendent's ability to reject contracts under certain circumstances.

To implement all of these procedural changes effectively, a Contract Routing form is used to proactively identify the required approval and actions to be taken before the writing of any contracts. This allows for proper review by all necessary staff and clearly explains the competitive environment, informal bidding, and formal bidding requirements.

Position Recommendations

7. The consultants recommend that the Board consider employing in-house legal counsel to assist the Board in all these matters.
8. Business and Financial Services will need to fill the Purchasing Agent position vacated due to retirement on January 1.
9. The consultants recommend that the Director of Business and Financial Services position, vacated when Jonathan Scott was named interim Finance Officer, be filled to provide additional purchasing and contracting oversight.

Each of these positions is addressed by the Superintendent's Local Operating Budget Request in the reorganization for senior level District leadership and the Business and Financial Services reorganization plan. All three positions will relieve pressures and bottlenecks in various purchasing, reporting, and managing processes in the Business and Financial Services Division.

Other Fiscal Management Procedures Changes

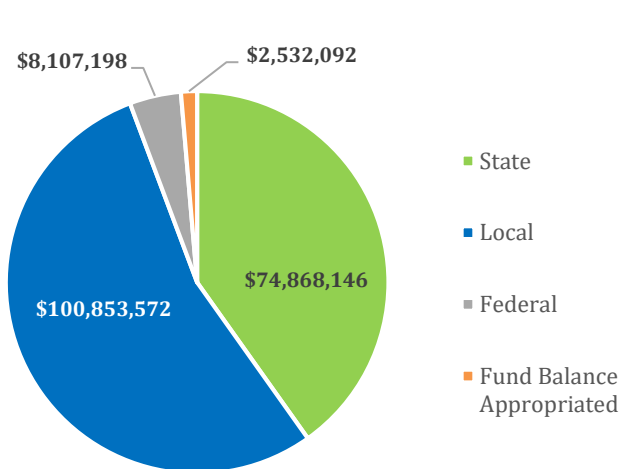
Independent from the Financial Review, the District has implemented some other procedural changes relating to fiscal management. The first is a monthly report to the Board that details all vendors that have received payment from the District over \$50,000 in aggregate during the current fiscal year. This report allows both the Board and the public to review the District's purchasing practices and hold the District accountable to its purchasing policies. Beyond that, the District has implemented complete digitization of the purchasing process. In order for a purchase

order to be approved and created, the document cabinet in the ERP system must contain all of the relevant documentation. This would include items like the bids and quotes received for the purchase, the completed service contract, and other miscellaneous documents. This benefits the District in aligning with its sustainability goals and provides an easily accessible, permanent document trail should any of this information need review in the future. Finally, the District has moved to using an attorney-created contract template. This template both protects the District when entering into service contracts with vendors and streamlines the contract writing process so our purchasing process can continue efficiently. It also ensures that the District member entering into the contract provides every piece of required information in the contract, to avoid any situations where important information is accidentally omitted. Each of these procedural changes were set up to ensure compliance and increase efficiency in their various aspects of the fiscal management process for the District.

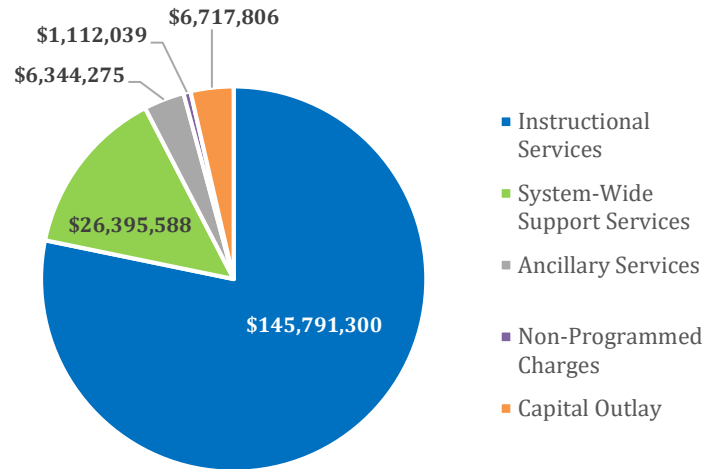
Summary of FY 2021-22 Revenues and Expenditures by Fund

	State Public School Fund	Local Operating Fund	Federal Grants Fund	Capital Outlay Fund	Child Nutrition Fund	Community Schools Fund	Other Local Revenues Fund	Total
Revenues								
State	\$ 74,864,746	\$ -	\$ -	\$ -	\$ 3,400	\$ -	\$ -	\$ 74,868,146
Local	-	79,914,197	-	7,355,713	1,963,600	1,981,189	9,638,873	100,853,572
Federal	-	-	5,554,898	-	2,552,300	-	-	8,107,198
Fund Balance Appropriated	-	-	-	-	-	-	-	-
Fund Transfers	-	2,532,092	-	-	-	-	-	2,532,092
Total Revenues	\$ 74,864,746	\$ 82,446,289	\$ 5,554,898	\$ 7,355,713	\$ 4,519,300	\$ 1,981,189	\$ 9,638,873	\$ 186,361,008
Expenditures								
Instructional Services	\$ 69,275,995	\$ 61,792,636	\$ 4,827,182	\$ 352,907	\$ -	\$ -	\$ 9,542,580	\$ 145,791,300
System-Wide Support Services	5,588,751	19,801,567	668,977	240,000	-	-	96,293	26,395,588
Ancillary Services	-	2,086	-	45,000	4,316,000	1,981,189	-	6,344,275
Non-Programmed Charges	-	850,000	58,739	-	203,300	-	-	1,112,039
Capital Outlay	-	-	-	6,717,806	-	-	-	6,717,806
Total Expenditures	\$ 74,864,746	\$ 82,446,289	\$ 5,554,898	\$ 7,355,713	\$ 4,519,300	\$ 1,981,189	\$ 9,638,873	\$ 186,361,008

FY 2022 Revenue Snapshot by Source of Funding



FY 2022 Expenditures Snapshot by Type

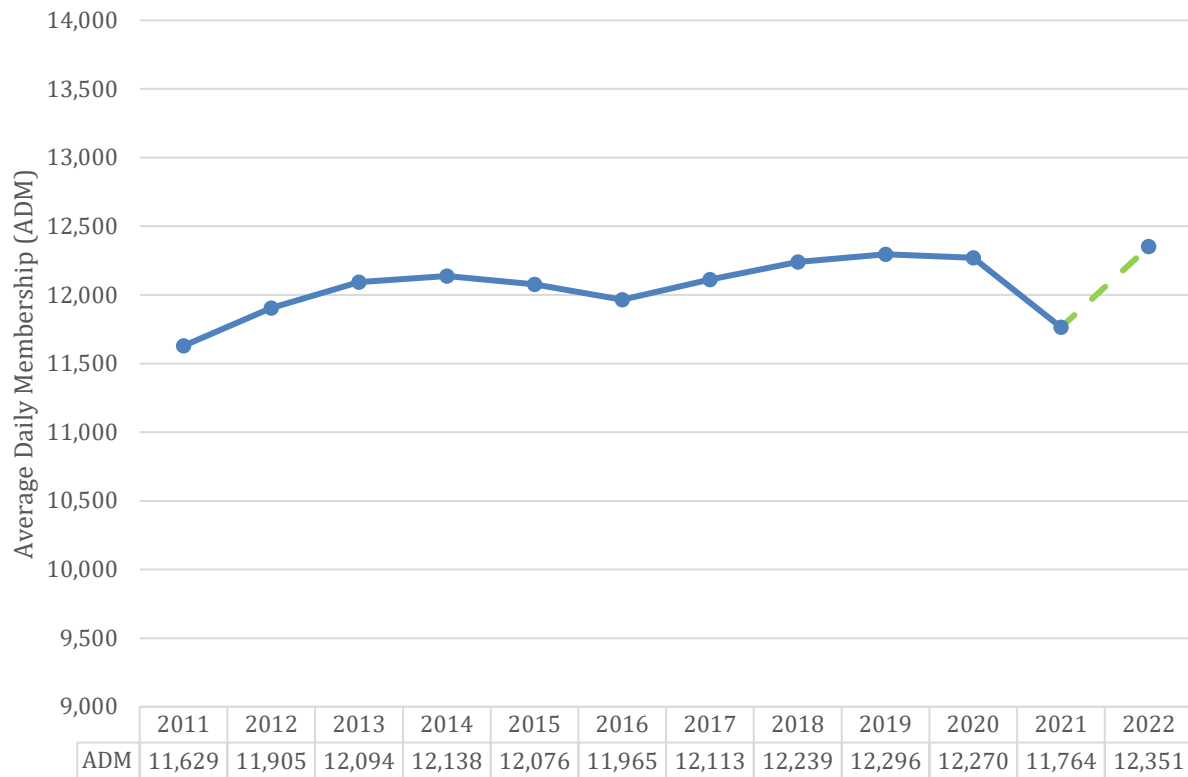


Historical Actuals to Proposed FY2021-22 Budget Comparison

	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual*	FY22 Proposed	FY21 Actual to FY22 Budget	Percent Change FY21 to FY22
State Public School Fund							
Revenue	\$66,728,884	\$74,573,183	\$75,505,555	\$77,894,155	74,864,746	(3,029,409)	-3.89%
Expenditures	66,728,884	74,573,183	75,505,555	77,894,155	74,864,746	(3,029,409)	-3.89%
Ending Net Balance	-	-	-	-	-		
Local Operating Fund							
Revenue	76,775,899	76,978,927	79,044,842	73,786,181	79,914,197	6,128,016	8.31%
Fund Balance Appr.	1,034,334	-	3,100,000	4,983,261	2,532,092	(2,451,169)	-49.19%
Expenditures	74,948,800	75,960,350	75,990,307	78,943,444	82,446,289	3,502,845	4.44%
Ending Net Balance	1,827,099	1,018,577	3,054,535	(174,000)	-		
Federal Grants Fund							
Revenue	3,475,998	3,564,746	2,899,485	4,087,257	5,554,898		
Expenditures	3,475,998	3,564,746	2,899,485	4,083,290	5,554,898		
Ending Net Balance	-	-	-	3,967	-		
Capital Outlay Fund							
Revenue	9,211,480	27,902,044	42,904,734	16,690,049	7,355,713	(10,571,931)	-58.97%
Fund Balance Appr.	436,133	-	-	1,237,595	-		
Expenditures	9,089,561	27,920,558	42,261,878	17,341,827	7,355,713	(9,986,114)	57.58%
Ending Net Balance	558,052	(18,514)	642,856	585,817	-		
Child Nutrition Fund							
Revenue	4,608,078	4,564,049	4,416,601	3,231,497	4,519,300	1,475,944	48.50%
Expenditures	4,637,871	4,190,759	4,215,226	2,980,605	4,519,300	1,538,695	51.62%
Ending Net Balance	(29,793)	373,290	201,375	250,862	-		
Community Schools Fund							
Revenue	1,997,573	1,804,391	1,804,391	254,184	1,981,189	1,727,005	679.43%
Fund Balance Appr.	200,000	200,000	-	-	-		
Expenditures	2,460,001	1,934,825	1,504,712	1,155,549	1,981,189	825,640	71.45%
Ending Net Balance	(262,428)	138,475	299,679	(901,365)	-		
Other Grants Fund							
Revenue	2,028,874	6,263,873	6,977,677	4,610,478	9,638,873	4,835,315	100.66%
Fund Balance Appr.	425,404	139,861	52,087	193,080	-		
Expenditures	2,164,566	5,039,192	5,677,850	5,506,147	9,638,873	4,132,726	75.06%
Ending Net Balance	289,712	1,364,542	1,351,914	(702,589)	-		
Total Net Position	2,382,642	2,876,370	5,550,359	(937,308)	-		

Enrollment Trends and Forecast

Prior to this year, the District had seen steady enrollment growth over the last 10 years with average growth just under 1% each year. This year’s enrollment is much more complicated than in previous years. The COVID-19 pandemic has introduced major uncertainty for families around the District, and it is difficult to predict how many students will return to our schools in the new school year. The graph below highlights the overall trend of student enrollment across the last 10 years:



**if adopted at the projected FY2021-22 adjusted level of 12,351 ADM*

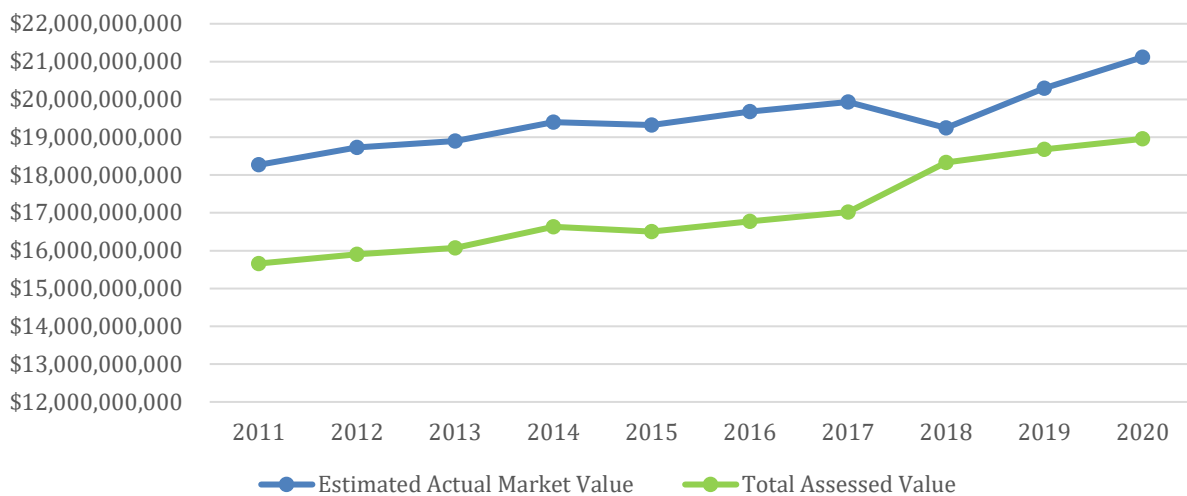
The District adopts its budget for the upcoming year in June based on what the projected enrollment is at that time. The actual number of students enrolled is taken on the 40th school day of the year. The table below shows the prior year’s adopted enrollment, the prior year’s 40th Day enrollment, and the State’s initial projection of enrollment:

	FY 2021 Adopted Enrollment	FY 2021 40th Day Enrollment	FY 2022 Projected Enrollment	FY21 40th Day to FY22 Projection	
				Change	Percent
Elementary School	5,307	4,926	5,246	320	6.50%
Middle School	3,072	2,912	3,128	216	7.42%
High School	3,870	3,909	4,059	150	3.84%
Other	30	17	20	3	17.65%
Total	12,279	11,764	12,453	689	5.86%

Tax Base and Rate Trends

Real property taxes are levied on the assessed value of real estate owned by businesses, individuals, and public service corporations. Personal property taxes are levied on the assessed market value of tangible property such as vehicles, mobile homes, heavy equipment, machinery, and tools. Real property tax assessments are conducted by the County Assessor, while personal property assessments are conducted by the Commissioner of the Revenue. Both real and personal property taxes are levied on 100% of assessed market value. Rates are established per \$100 of assessed value. The total tax base and tax rates for Orange County over the last 10 fiscal years are summarized below:

Fiscal Year	Real Property	Personal Property	Public-Service Companies	Less Tax-Exempt Property	Total Assessed Value	Direct Tax Rate	Estimated Actual Market Value	Assessed Value as % of Actual Value
2020	\$16,974,899,491	\$1,726,673,593	\$337,564,917	\$82,646,419	\$18,956,491,582	0.868	\$21,116,733,410	89.77%
2019	16,603,198,106	1,821,061,820	337,735,426	80,381,765	18,681,613,587	0.850	20,299,482,328	92.03%
2018	16,385,248,774	1,711,150,366	315,583,138	81,081,408	18,330,900,870	0.838	19,247,060,972	95.24%
2017	15,168,750,327	1,620,578,558	306,434,830	71,244,631	17,024,519,084	0.878	19,932,700,016	85.41%
2016	15,020,157,254	1,442,897,338	382,744,805	67,617,005	16,778,182,392	0.878	19,676,536,170	85.27%
2015	14,863,350,430	1,461,891,252	244,191,811	67,500,359	16,501,933,134	0.878	19,323,118,424	85.40%
2014	14,734,501,833	1,724,462,428	239,923,242	66,527,135	16,632,360,368	0.858	19,398,362,762	85.74%
2013	14,630,730,056	1,274,117,983	235,565,073	64,439,641	16,075,973,471	0.858	18,896,681,052	85.07%
2012	14,509,087,828	1,217,661,746	234,219,001	61,832,450	15,899,136,125	0.858	18,726,408,865	84.90%
2011	14,349,991,992	1,173,260,442	228,934,751	92,197,005	15,659,990,180	0.858	18,269,667,186	85.72%



Debt Obligations and Changes

The District maintains a very healthy financial obligation position by incurring low amounts of debt only when necessary. District Administration recommended and the Board approved the payoff of a loan with Grapeland State Bank that was used to upgrade the GPS systems in buses around the District. The total amount paid off was approximately \$55,000 that would have matured in June of 2022. The only major debt obligation entered into during FY 2021 thus far was an installment purchase from Trinity 3 Holdings, LLC to provide each of our secondary students with Chromebooks. This was a 4-year agreement totaling \$3.44 million. Payment of the year 1 obligation has already been made, which brings the remaining obligation down to \$2.58 million.

Year Ended June 30	Installment Purchases	Total Debt Obligations	Per Capita
2020	\$ 194,468	\$ 194,468	N/A
2019	344,995	344,995	\$ 2.32
2018	362,825	362,825	2.48
2017	167,778	167,778	1.16
2016	597,416	597,416	4.21
2015	601,602	601,602	4.26
2014	890,391	890,391	6.34
2013	1,212,475	1,212,475	8.64
2012	39,468	39,468	0.29
2011	137,760	137,760	1.03

Source: Chapel Hill-Carrboro City Board of Education, North Carolina, Annual Financial Reports.

Note: This table is a ten-year schedule. However, current year county level annual population estimates are not released by the U.S. Census Bureau until the spring of the following year. Therefore, June 30, 2020 population-based information will be shown above as "N/A", and the information will be reported for the year ended June 30, 2021, if applicable.



ORGANIZATIONAL SECTION



Chapel Hill – Carrboro City Schools
750 S Merritt Mill Road, Chapel Hill, NC 27516
Web Site: chccs.org
Prepared by the Business and Financial Services Division
(919) 967-8211

Roadmap to the Organizational Section

The Organizational Section of this budget document details many important aspects of the District such its' organizational structure, its' guiding principles, and more in-depth information about fiscal preparation and management. The section begins by covering the governance structure and the authority it has as a public-school district. After that, the structure of the District and the organization of primary officials around the District is detailed. Finally, it provides an in-depth view of how the budget is prepared, what shapes the budget, and how funds are managed after the budget is adopted. Though this information is all supplementary to the actual budget, it offers great insight into how the District is set up to achieve its stated goals and provide the high-quality education that it strives for. The overarching goal of this section is to provide a better understanding of the organization itself, before diving into the numbers of the Financial Section.

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Governance Structure

The Chapel Hill – Carrboro City Schools Board of Education consists of seven members elected for staggered terms of four years. The Chair and Vice Chair are elected by a majority vote of the Board each year. The Superintendent serves as secretary to the Board. The Board of Education members are listed below:

Jillian LaSerna, Chair

Deon Temne, Vice Chair

Rani Dasi

Ashton Powell

Mary Ann Wolf

Lisa Kaylie

Reporting Entity

The Chapel Hill – Carrboro City Board of Education is a separate governmental entity providing public elementary and secondary education to students of the Chapel Hill and Carrboro Townships in North Carolina. The Board has no tax levying authority or borrowing authority. The County levies taxes but cannot govern the Board's budget allocated for schools. The County levies all taxes and manages all debt related to the school system. The County does not share in any surpluses generated by the District nor is required to finance any deficits of the school system. Consequently, the Board is not fiscally dependent on the County and is recognized as a primary government entity.

The Board receives State and Federal government funding and must comply with the legal requirements of each funding entity. North Carolina statute 115C-40 empowers the publicly elected Chapel Hill – Carrboro City Board of Education with general control and supervision of all matters pertaining to the schools in the system.

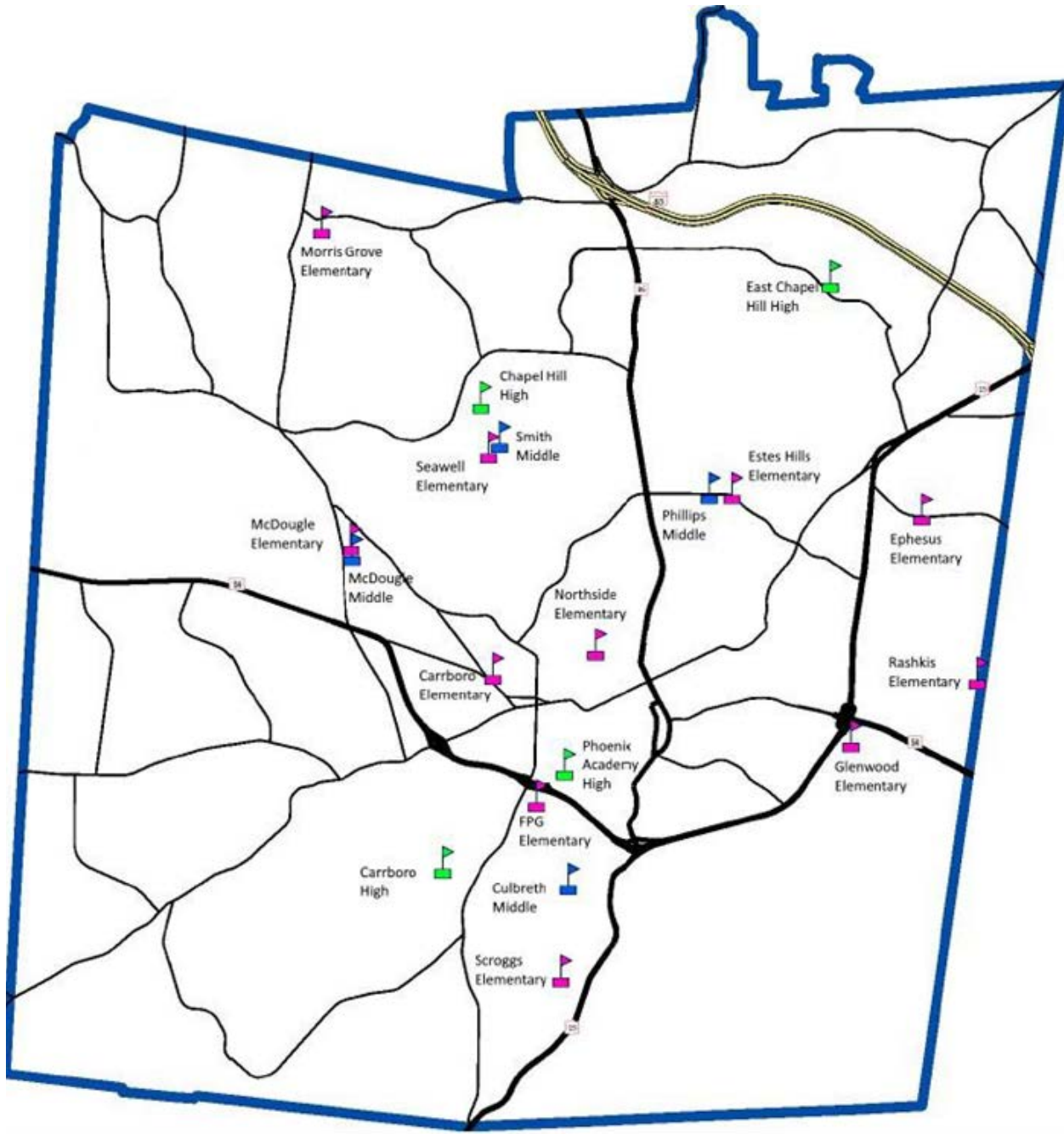
Our Mission

The mission of the Chapel Hill-Carrboro City Schools (CHCCS) is to enable all students to acquire through programs of excellence and fairness, the knowledge, skills and insights necessary to live rewarding, productive lives in an ever-changing society

CHCCS commits to:

- 1. Preparing** all students to succeed in a multicultural, global society by providing equitable opportunities and multiple pathways that will build and honor the strengths of every student and eliminate any and all disparities.
- 2. Fostering family and community engagement** by intentionally creating structures and processes that welcome and engage families and community as essential and active partners in major decisions in the educational process.
- 3. Improving school climate** by leveraging diversity in its myriad forms to create schools where students, families, community members and employees feel welcomed, valued, safe, supported, and where students and staff can perform to their personal bests without personal compromise. Recruit and retain teachers, staff and administration who are representative of the student population.
- 4. Providing all students with personalized strategies,** resources, opportunities and a restorative mindset that capitalize on each student's current strengths and enhances their academic, social and emotional growth.
- 5. Enhancing all employees' and board members'** awareness and capacity around identifying and eradicating all gaps that exist and impede student success with a focus on culturally responsive teaching practices and cultural competencies towards social justice.
- 6. Removing all barriers** that exist within systems, outdated practices and policies that continue to hinder success for all students by utilizing the Racial Equity Impact Assessment.
- 7. Ensuring every student has equitable access** to rigorous and culturally relevant curriculum, diverse and culturally competent teachers and staff, personalized learning supports and facilities that are cutting edge and purposefully crafted for student engagement and success

Chapel Hill - Carrboro City Schools Building Locations



Current Student Enrollment Totals

Student Enrollment is essential to projecting revenues and expenses during the budget development process. Since the budget cycle starts early in the calendar year, the budget is typically adopted using student enrollment projections. Then at the 40th school day of the year, actual student enrollment counts are taken. The table below summarizes the 40th day actual student enrollments at our 20 schools from FY 2020-21:

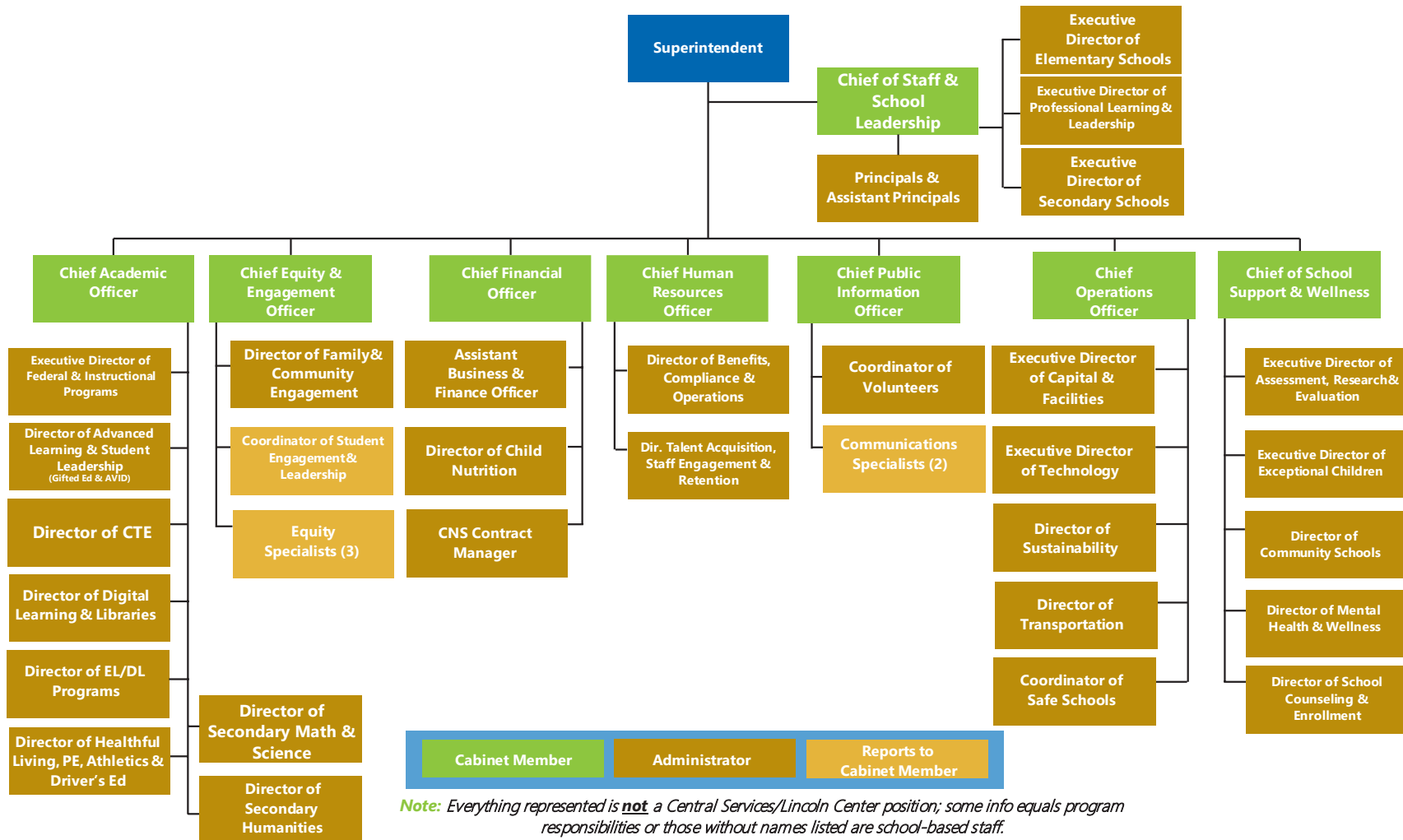
Schools	Elementary						Middle			High				Total
	KI	1	2	3	4	5	6	7	8	9	10	11	12	
Carrboro ES	66	82	83	79	83	83								476
Ephesus ES	41	64	64	62	44	71								346
Estes Hills ES	56	65	63	56	77	70								387
FPG ES	94	83	93	96	102	95								563
Glenwood ES	80	78	73	78	61	70								440
McDougle ES	54	92	83	90	78	99								496
Morris Grove ES	57	82	80	77	93	100								489
Northside ES	61	62	56	63	88	74								404
Rashkis ES	75	78	70	63	74	89								449
Scroggs ES	65	65	72	54	76	75								407
Seawell ES	54	55	57	67	135	101								469
Culbreth MS							206	266	262					734
McDougle MS							271	240	237					748
Phillips MS							199	261	236					696
Smith MS							247	223	264					734
Carrboro HS										220	201	224	202	847
Chapel Hill HS										410	387	333	395	1,525
East Chapel Hill HS										403	392	399	343	1,537
Phoenix Acad. HS										2	2	10	3	17
UNC Hospital	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20-21 40 th Day Enrollment	703	806	794	785	911	927	923	990	999	1,035	982	966	943	11,764
	Elementary: 4,926						Middle: 2,912			High: 3,926				

*Pre-K/Head Start not included in any school or enrollment totals.

Pre-K Enrollment: 203

Organizational Chart

Superintendent's Senior Staff



School Principals

Elementary Schools

Jennifer Halsey	Carrboro Elementary School
Pamela McCann	Estes Hills Elementary School
Eric Taylor	Ephesus Elementary School
Channing Bennett	Glenwood Elementary School
Karen Galassi-Ferrer	Frank Porter Graham
Aisha Howard	McDougle Elementary School
Amy Rickard	Morris Grove Elementary School
Coretta Sharpless	Northside Elementary School
Tiffany Newsome	Rashkis Elementary School
Crystal Epps	Scroggs Elementary School
Minnie Goins	Seawell Elementary School

Middle Schools

April Burko	Culbreth Middle School
Robert Bales	McDougle Middle School
Edmon Jones	Phillips Middle School
Robin Buckrham	Smith Middle School

High Schools

Beverly Rudolph	Carrboro High School
Charles Blanchard	Chapel Hill High School
Kenneth Proulx	East Chapel Hill High School
John Williams	Phoenix Academy High School
Marny Ruben	Hospital School, UNC Hospital

Basis of Accounting

The board’s funds are divided into governmental, proprietary, and fiduciary types. Each fund is a self-balancing set of accounts that are segregated for the purpose of carrying on specific activities in accordance with the law, good accounting practices, special regulations, or other limitations. Governmental fund types include general, special revenue, and capital projects. The enterprise funds: Child Nutrition and Child Care comprise the proprietary fund types. The agency fund comprises the fiduciary fund. Transactions are recorded following the standard U.S. Generally Accepted Accounting Principles (GAAP). District resources are allocated and accounted for based on the purpose for they which are to be spent. A summary of how each account is classified is provided below:

Classification of Revenues and Expenditures

District transactions are recorded and classified using the account code structure found in the North Carolina Department of Public Instruction’s (NCDPI) Chart of Accounts (COA). The two types of transactions that can occur are revenue (money comes in) and expenditures (money goes out). Every transaction is recorded with an account code to match revenues with expenses so that the District can manage funds as they come in and out of the District. The structure of the account code used in a transaction classifies the revenue or expenditure by the purpose in which it is to be spent. The full account code structure and its meaning is described below:

Account Code Structure

Fund	Purpose	PRC	Object	Location	Use 1	Use 2
X	XXXX	XXX	XXX	XXX	XXX	XX
Example:			1.5110.001.121.300.000.00			

Fund Codes

The Chart of Accounts uses six funds and one self-balancing group of accounts which we believe are appropriate for use by a local school administrative unit; however, other funds may be added as required. The Fund Codes are as follows:

- 1 – State Public School Fund** – Appropriations for the current operating expenses of the public-school system from monies made available to the local school administrative unit by the Department of Public Instruction.
- 2 – Local Current Expense Fund** – Appropriations for the current operating expenses of the local school administrative unit other than appropriations included in the State Public School Fund and the Federal Grant Fund. This shall include, but not be limited to, revenues from fines and forfeitures, county appropriations for current expenses, supplemental taxes levied for current expenses, state allocations.
- 3 – Federal Grant Fund** – Appropriations for the expenditure of federal categorical grants made available through the Department of Public Instruction.

4 – The Capital Outlay Fund – Appropriations for:

- a) The acquisition of real property for school purposes, including but not limited to school sites, playgrounds, athletic fields, administrative headquarters, and garages;
- b) The acquisition, construction, reconstruction, enlargement, renovation, or replacement of buildings and other structures, including but not limited to buildings for classrooms and laboratories, physical and vocational educational purposes, libraries, auditoriums, gymnasiums, administrative offices, storage, and vehicle maintenance;
- c) The acquisition or replacement of furniture and furnishings, instructional apparatus, data processing equipment, business machines, and similar items of furnishings and equipment;
- d) The acquisition of school buses as additions to the fleet;
- e) The acquisition of activity buses and other motor vehicles;
- f) Such other objects of expenditures as may be assigned to the Capital Outlay Fund by the uniform budget format. The cost of acquiring or constructing a new building, or reconstructing, enlarging, or renovating an existing building, shall include the cost of all real property and interests in real property, and all plants, works, appurtenances, structures, facilities, furnishings, machinery, and equipment necessary or useful in connection therewith; financing charges; the cost of plans, specifications, studies, reports, and surveys; legal expenses; and all other costs necessary or incidental to the construction, reconstruction, enlargement, or renovation.

5 – Multiple Enterprise Fund – Revenues and expenditures for multiple enterprise accounts, as needed by the local school administrative units, to include PRC 035, Child Nutrition operations. Other enterprise accounts may optionally be included in Fund 5, such as Before/After School Care, PRC 701. Each enterprise account must have proper accounting structure and process, including all appropriate general ledger accounts as well as cash.

6 – Trust and Agency Funds – Revenues and expenditures for trust and agency funds as needed by the local school administrative unit to account for trust and agency arrangements such as endowments, funds of individuals held by the school finance officer, and special funds of individual schools.

7 – Reserved for LEA or Charter School local use.

8 – Other Specific Revenue Fund – Revenues from reimbursements, including indirect costs, fees for actual costs, tuition, sales tax revenues distributed using the ad valorem method pursuant to G.S. 105-472(b)(2), sales tax refunds, gifts and grants restricted as to use, trust funds, federal grants restricted as to use, federal appropriations made directly to local school administrative units, funds received for prekindergarten programs, and special programs and appropriated fund balances (revenues accruing to a school administrative unit in prior years but not yet expended).

9 – Capital Assets – A self-balancing group of accounts used to provide a record of fixed assets owned by the local school administrative unit except those accounted for in the Child Nutrition Fund.

Purpose Codes

Purpose means the reason for which something exists or is used. Purpose includes the activities or actions that are performed to accomplish the objectives of a local school administrative unit. For budgeting and accounting purposes, expenditures of a local school administrative unit are classified into five purposes as follows:

- 5000** Instructional Services
- 6000** System-Wide Support Services
- 7000** Ancillary Services
- 8000** Non-Programmed Charges
- 9000** Capital Outlay

The “purpose dimension” is broken down into a function level at the second digit and, where appropriate, into a sub-function level at the third digit.

*A detailed list of purpose codes can be found in the Appendix

Program Report Codes (PRC)

A program report code (PRC) designates a plan of activities or funding designed to accomplish a predetermined objective. This dimension of program report codes allows the unit a framework for classifying expenditures by program to determine cost.

- PRC 001 – 299:** NCDPI defined State and Federal Fund codes
- PRC 300 – 399:** Federal Grants and Funding Sources Not Allotted by NCDPI
- PRC 400 – 499:** State Grants and Funding Sources Not Allotted by NCDPI
- PRC 500 – 599:** Local Grants and Donations
- PRC 600 – 699:** Local Special Revenue Sources
- PRC 700 – 799:** Tuition or Fee Funded Programs
- PRC 800 – 999:** Local Cost Centers

Object Codes

Object means the service or commodity obtained as a result of a specific expenditure. Seven major object categories are used in our Chart of Accounts.

- 100** Salaries
- 200** Employer Provided Benefits
- 300** Purchased Services
- 400** Supplies and Materials
- 500** Capital Outlay
- 600** Reserved for Future Use
- 700** Transfers

These broad categories are subdivided to obtain more detailed information about objects of expenditures. (Category numbers are not valid account codes, example 100, 200 etc.).

Location Codes

Location codes track location specific expenditures:

300 Northside Elementary	309 McDougle Middle
304 Carrboro Elementary	322 Culbreth Middle
310 Seawell Elementary	324 Phillips Middle
311 Ephesus Elementary	336 Smith Middle
312 Estes Hill Elementary	
316 Frank Porter Graham Elementary	305 Carrboro High
320 Glenwood Elementary	308 Chapel Hill High
326 McDougle Elementary	314 East Chapel Hill High
330 Scroggs Elementary	338 Phoenix Academy
334 Rashkis Elementary	
332 Morris Grove Elementary	

Use Codes

Used internally to further distinguish different departments, projects, and specific uses around the District.

District Financial Structure

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, reserves, fund balance, revenues, and expenditures. The District, maintains 3 types of funds: Governmental, proprietary, and fiduciary.

The Board reports the following major governmental funds:

General Fund. The General Fund, or Local Current Expense Fund, is the general operating fund of the Board. The General Fund accounts for all financial resources except those that are accounted for in another fund.

State Public School Fund. The State Public School Fund includes appropriations from the Department of Public Instruction for the current operating expenditures of the public-school system.

Federal Grants Fund. The Federal Grants Fund includes appropriations from the U.S. Government for the current operating expenditures of the public-school system.

Other Special Revenue Fund. The Other Special Revenue Fund is used to account for gifts and grants restricted as to use, certain federal and state grants restricted as to use, federal and state appropriations made directly to local school administrative units, funds received for refunds, reimbursements and various special programs.

Capital Outlay Fund. The Capital Outlay Fund accounts for financial resources to be used for the acquisition and construction of major capital facilities (other than those financed by proprietary funds and trust funds). It is mandated by State law [G.S.115C-426]. Capital projects are funded by Orange County appropriations, restricted sales tax moneys, proceeds of county debt issued for public school construction, lottery proceeds as well as certain State assistance.

The Board reports the following nonmajor governmental fund:

Individual Schools Fund. The Individual Schools Fund includes revenues and expenditures of the activity funds of the individual schools. The primary revenue sources include funds held on the behalf of various clubs and organizations, receipts from athletic events, and proceeds from various fundraising activities. The primary expenditures are for athletic teams, club programs, activity buses, and instructional needs.

The Board reports the following major enterprise funds:

School Food Service Fund. The School Food Service Fund is used to account for the food service program within the school system.

Child Care Fund. The Child Care Fund is used to account for the afterschool care program within the school system, as well as revenues from the rental of school property.

The Board reports the following fiduciary fund:

Agency Fund. Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the Board holds on behalf of others. The Board maintains one agency fund, the Employee Flexible Spending Account, which accounts for monies voluntarily withheld from employees' wages to pay for child care and medical expenses not covered under the employees' medical insurance.

Budget Development Calendar

November 12, 2020	Finance Committee Budget Kick Off
December 15, 2020	Cabinet Budget Strategy Work Session
January 15, 2021	Budget Request Worksheets distributed to Schools and Departments
January 21, 2021	Board of Education Work Session: Preliminary Budget Overview
January 29, 2021	School and Department Budget Requests Due to Business and Finance
February 2021	Finance Committee Meeting
February 2, 2021	Schools present their Requests to Cabinet based on school data, identified needs, schedules, and special circumstances.
February 10, 2021	Continuation of School Presentations from January 28, 2021
February 18, 2021	Superintendent Presents Preliminary Budget Information to Board of Education
March 2021	Finance Committee Meeting
March 4, 2021	Superintendent submits FY 2021-2022 Proposed Budget Request to the Board of Education
March 18, 2021	Board of Education Budget Public Hearing and Work Session
April 2021	Finance Committee Meeting
April 8, 2021	Board of Education Budget Work Session, Lincoln Center
April 13, 2021	Board of County Commissioners Budget Work Session
April 22, 2021	Board of Education approves the FY 2021-2022 Budget Request for submission to the Board of Orange County Commissioners
April 27, 2021	Joint Meeting* with Board of County Commissioners
May 2021	Finance Committee Meeting
May 11, 2021	Board of Orange County Commissioners Budget Public Hearing
May 13, 2021	Board of Orange County Commissioners Budget Work Session
May 20, 2021	Board of Orange County Commissioners Budget Work Session
May 27, 2021	Board of Orange County Commissioners Budget Work Session
June 3, 2021	Board of Orange County Commissioners Budget Public Hearing
June 8, 2021	Board of Orange County Commissioners Budget Work Session
June 15, 2021	Board of Orange County Commissioners adopt the FY 2021-2022 Local Fund and Capital Fund budgets
August 12, 2021	Board of Education approves Budget resolutions for all Fund Codes

Budget Development Policies and Regulations

Budget planning and preparation is critical to the development of a budget likely to further the educational goals of the board and the state and to provide for the smooth operations of the school district.

Board Policies that Guide Budget Development

Policy 8100: Budget Planning and Adoption:

In recognition of the importance of the budget planning process, the budget planning for the board and administration will include:

- establishing the priorities of the school district, recognizing that providing students the opportunity to receive a sound basic education and improving student success will always be of paramount concern;
- considering long-range facilities plans, goals and objectives as established by the board and school district when assessing the needs of the school district;
- integrating budget planning into program planning so that the budget may effectively express and implement all programs and activities of the school district
- seeking opportunities to communicate budget needs with the county commissioners on a regular basis, especially in regard to capital outlay;
- seeking broad participation by administrators, teachers, SGCs and other school district personnel and citizens;
- exploring all practical and legal sources of income;
- continually assessing the needs of the school district and the revenues and expenses; and
- identifying the most cost-effective means of meeting the school districts' needs.

Process

- The superintendent will prepare an annual operating budget and submit it with his or her budget message to the board no later than the first board meeting in April.
- On the same day that the operating budget is submitted to the board, the superintendent will file a copy of it in his or her office, and make it available for public inspection until the budget resolution is adopted.
- The board will hold at least one public hearing on the proposed operating budget prior to final action.
- The board will consider the operating budget, make such changes therein as it deems advisable, and submit the entire budget as approved by the board to the board of county commissioners no later than May 15, or such later date as may be fixed by the board of county commissioners.
- The board of county commissioners must complete its action on the school budget on or before July 1, unless a later date is agreed upon by the board of education and the board of county commissioners.
- After the board of county commissioners has appropriated funds and after the conclusion of any dispute regarding the appropriation, the board of education will adopt a budget resolution pursuant to policy 8110 (Budget Resolution) and in compliance with legal requirements.

- The Superintendent will prepare an annual Capital Investment Plan (CIP) Budget that reflects the capital priorities for the district and submit it to the board. The board will consider the Superintendent's recommended budget, make such changes as it deems advisable, approve the budget request, and submit the CIP budget request to the county manager at a date fixed by the board of county commissioners.

Fiscal Year

- The fiscal year of this administrative unit begins on July 1 and ends on June 30.

Budgets for Individual Schools

- The principal of each school, in conjunction with the School Improvement Team, will prepare and submit to the superintendent or designee an individual school budget detailing all revenues and expenditures anticipated for the school for each budget year. The budget will include both tax and non-tax revenue. Any school trust fund over \$10,000.00 must have a budget approved by Superintendent or his designee.

Policy 8351: Local Current Expense Fund Balance:

- The District will make a good faith effort to maintain a level of unassigned fund balance that will ensure sufficient funds are available to address its cash flow needs. The targeted level of unassigned fund balance for cash flow purposes will be at a minimum of 5.5 percent of budgeted expenditures.

*All other board policies relevant to Fiscal Management can be found at: [Series 8000 – Fiscal Management](#)

Regulations that Govern the Budget Process

In accordance with North Carolina General Statute (GS 115C – 428), the Superintendent shall prepare a budget for the ensuing year and submit to the local Board of Education no later than May 1. Before submitting the prepared budget, the Board of Education may choose to hold a public hearing at which time any persons who wish to be heard on the budget may appear. North Carolina LEAs are fiscally dependent on the local governing body, which in the District's case is the Orange County Board of County Commissioners. After consideration of the budget and the public hearing, the Board of Education will submit the budget to the Orange County Board of County Commissioners no later than May 15 (GS 115C – 429).

Budget Development Process

The Board's budgets are adopted as required by the North Carolina General Statutes. Annual budgets are adopted for all funds, except for the fiduciary funds and the individual school's special revenue funds, as required by the North Carolina General Statutes. No budget is required by State law for individual school funds. All appropriations lapse at the fiscal year-end. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds.

The budget development process is comprised of several stages: Gather, Evaluate, Prepare, Present, Adopt. The first step is to gather information from all budget managers in the District including School Principals, Division and Department leaders, and the Superintendent. The next step is for Cabinet Members and the Business and Financial Services Division to evaluate the information collected from the budget managers and consider other influencing budget drivers for the upcoming year. All of this information leads into the next step which is to prepare the recommended budget increases for the Board of Education, also known as the Superintendent's Recommended Budget. The Board receives this recommendation and proceeds to hold public hearings on the budget before making any final changes they deem necessary from this feedback.

The next step from there is to present the budget request to the Orange County Board of County Commissioners for consideration. The Commissioners consider the request and allot the local portion of the budget as they see fit. The final step is for the Board to take the local allotment from the Commissioners along with the proposed budgets for the other funds, and adopt a total budget for all funds. This is the Board's Adopted Budget for the beginning of the new fiscal year.

Changes for FY 2021-22

For this year's budget process, the District implemented an improved budget request process to gather data from Schools and Budget Managers. These changes primarily came from the advice and recommendations received from the Board's External Review.

The District updated the budget preparation process to move towards what is known as a "zero base" budgeting process. Essentially what this means is that instead of just adjusting the prior year's numbers, each department will submit a request based on what they predict will be needed in the upcoming year. This will result in a budget that is built solely from the needs of the upcoming year, without much attention to the previous year. This year, it is not intended to jump straight to a purely "zero base" process, so each department will be provided their current budget as a guide, with the ability to request and reallocate for any needs they predict in the upcoming year.

For each line item of the department's budget, we asked the manager to provide a few additional data points beyond the dollar amount requested:

- A Category and Subcategory that the expense fit into (i.e. new growth initiative, enhancement to existing program, continuation, etc.)
- Alignment to the Strategic Plan (Student Success, Employee Experience, Family and Community Engagement, Organizational Effectiveness)
- A written justification to provide details about the expense

We also asked a set of general questions for each request relating to the broader picture of the department within the District:

- A Department Description
- Achievements during the Prior Year
- Major Work Initiatives for the Upcoming Fiscal Year
- What are the equity impacts from this request?

Each piece of requested data is intentional in the overarching goal of building trust with our community. Stating the prior year's achievements and declaring the work initiatives of each department holds each department accountable year over year. The question on equity ensures that equity is at the forefront of everything the District does and documenting the known impacts holds the District accountable in this regard. Aligning each expense with the Strategic Plan ensures that everyone in the District is working in unison towards our District's goals. Justifying each expense ensures transparency and allows the public to gain a deeper understanding of the decisions made by the District.

As the District continues to improve its budget preparation process, the new information gathered will add a new phase to the budget development process. After the Adopt step, the process will include another Evaluate step. Here, the District will be able to evaluate the effectiveness of the adopted budget year over year because of the ability to return to the requests and review the stated outcomes and justifications of each expense in the budget. Moving forward, this will greatly enhance the District's ability to maximize the effectiveness of the District's resources, which ultimately serves to maximize our student's success.

Budget Management and Administration

Chapel Hill – Carrboro City Schools is committed to obtaining, managing and using financial resources to further the goals of supporting a system of free public schools and to further the educational goals of the Board and the State. All decisions regarding the use of financial resources will be consistent with the Board's objective of providing all students with a sound basic education, as required by law.

The Board authorizes the superintendent to transfer amounts not to exceed \$100,000 from one budget appropriation to another within the same fund. The Superintendent or his/her designee must present for approval any such transfers at the meeting of the board in the month following such transfers and such transfers must be entered in the minutes of that meeting. Amendments are required for any revisions that alter total expenditures of any fund or that change appropriations at the purpose level. All amendments must be approved by the Board. During the year, several amendments to the original budget are necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

In recognition of the trust and responsibility placed with the board to manage financial resources for the local educational program, the board establishes the following standards:

1. The Board and all employees of the school system will manage and use available funds efficiently and effectively to meet the goals of the local board and State.
2. Effective accounting, financial reporting, and management control systems will be designed, maintained, and periodically reviewed to (a) enable the Board and school system to have access to accurate, reliable, and relevant data; (b) provide assurance that school system obligations are paid in a timely manner and that accounts are not overspent; (c) provide assurance that funds and records are safeguarded at all times; and (4) permit audits and periodic reports adequate to show that those in charge have handled funds within legal requirements and in accordance with board policy.
3. The superintendent and finance officer shall keep the board sufficiently informed regarding the budget through periodic financial statements showing the financial condition of the school system, other periodic reports, and any other appropriate means so that the board can deliberate upon and evaluate the budget.
4. No moneys will be expended, regardless of the source (including moneys derived from federal, state, local, or private sources), except in accordance with the board's budget resolution or amendments to the budget resolution. The superintendent is authorized to transfer moneys from one appropriation to another within the same fund, subject to such limitations and procedures as may be prescribed by board resolution or state or federal law or regulation. Any such transfers must be reported to the board at its next regular meeting and recorded in the minutes.

5. All receipts and disbursements shall be accounted for according to generally accepted accounting principles for governmental entities.
6. Each employee responsible for handling school system funds or funds of individual schools shall comply with all applicable state and federal laws and regulations, board policies, administrative procedures, and any applicable procedures, requirements, or guidelines established by the finance officer.
7. Principals and school improvement teams must be familiar with state and local board requirements related to managing and using fiscal resources and must comply with these requirements in developing and implementing school improvement plans.

Changes in Fiscal Management and Administration

Through the beginning of the current Fiscal Year (2020-21), the Board of Education requested and engaged in an External Financial Review of various processes related to the budget preparation and fiscal management processes of the District. The goal was to identify deficiencies and seek feedback on the many processes that the Business and Financial Services Division manages to ensure smooth and efficient budgeting, purchasing, and fiscal operations of the District. The External Financial Review produced several recommendations to ensure compliance with board policies and statutes, as well as best practices to maximize efficiency in these processes:

Fiscal Management Recommendations

1. When staff members consider purchases with vendors who offer both services and supplies, material, or equipment, the consultants recommend that the contract no longer be considered a contract for services and follow the provisions of Policy 6430.
2. In the operations area, the consultants recommend the current practice for purchases above \$25,000 (the assistant superintendent of operation's threshold) for all purchases between \$25,000 and \$90,000: identify three vendors who can provide the supplies, material, or equipment; receive informal quotes from at least two vendors (can be collected by phone or e-mail); select the lowest responsible quotation; document the request and response; and then purchase the supplies, materials, or equipment.
3. If construction work is expected to cost between \$30,000 and \$300,000 then the informal bid process outlined in Recommendation #7 should be used: identify three vendors who can complete the construction work; receive informal quotes from at least two vendors (can be collected by phone or e-mail), select the lowest responsible quotation, document the request and response, and then construct the project. (G.S. 133-1.1 requires that architectural and/or engineering (A&E) design services be used on certain projects – these requirements are reflected in the recommended policy changes for Policy 9030 below).
4. If the construction project is expected to cost in excess of \$300,000, then bid specifications must be prepared by an architect or engineer, with the project formally advertised, and bids solicited. (A pre-bid meeting should be conducted for large complicated projects.) Once the successful bidder is identified, the contract should go to the school board attorney and then to the Board for approval.

The District has revised several policies as a result of the Financial Review. Board Policies 6420, 6430, and 6450 were all reviewed and updated to provide clearer language for intent and understanding for all users. In December, 6420 was revised to clarify the language surrounding multiple contracts with vendors within the fiscal year. Payments to a single vendor cannot exceed \$90,000 in aggregate during a fiscal year. Additionally, contracts cannot be divided between fiscal years to with the purpose of avoiding this threshold. In December, 6450 was also revised to clearly state the situations in which informal bidding and formal bidding are required. In February, 6430 was revised to clarify the language surrounding the Board and Superintendent's ability to reject contracts under certain circumstances.

To implement all of these procedural changes effectively, a Contract Routing form is used to proactively identify the required approval and actions to be taken before the writing of any contracts. This allows for proper review by all necessary staff and clearly explains the competitive environment, informal bidding, and formal bidding requirements.

Position Recommendations

5. The consultants recommend that the Board consider employing in-house legal counsel to assist the Board in all these matters.
6. Business and Financial Services will need to fill the Purchasing Agent position vacated due to retirement on January 1.
7. The consultants recommend that the Director of Business and Financial Services position, vacated when Jonathan Scott was named interim Finance Officer, be filled to provide additional purchasing and contracting oversight.

Each of these positions is addressed by the Superintendent's Local Operating Budget Request in the reorganization for senior level District leadership and the Business and Financial Services reorganization plan. All three positions will relieve pressures and bottlenecks in various purchasing, reporting, and managing processes in the Business and Financial Services Division.

Other Fiscal Management Procedures Changes

Independent from the Financial Review, the District has implemented some other procedural changes relating to fiscal management. The first is a monthly report to the Board that details all vendors that have received payment from the District over \$50,000 in aggregate during the current fiscal year. This report allows both the Board and the public to review the District's purchasing practices and hold the District accountable to its purchasing policies. Beyond that, the District has implemented complete digitization of the purchasing process. In order for a purchase order to be approved and created, the document cabinet in the ERP system must contain all of the relevant documentation. This would include items like the bids and quotes received for the purchase, the completed service contract, and other miscellaneous documents. This benefits the District in aligning with its sustainability goals and provides an easily accessible, permanent document trail should any of this information need review in the future. Finally, the District has moved to using an attorney-created contract template. This template both protects the District

when entering into service contracts with vendors and streamlines the contract writing process so our purchasing process can continue efficiently. It also ensures that the District member entering into the contract provides every piece of required information in the contract, to avoid any situations where important information is accidentally omitted. Each of these procedural changes were set up to ensure compliance and increase efficiency in their various aspects of the fiscal management process for the District.

Definitions of Sustaining Revenue Sources

ABC Revenues	Include revenues received by the local school administrative unit from ABC profits because of specific legal requirements applying to local ABC boards.
Bond and Note Proceeds	Include revenues received from the county out of the proceeds of bonds and notes sold for school purposes. Includes revenues from proceeds of School Literary Fund Notes. This revenue is actually the county appropriation from one or more bond funds, certificates of participation (COPS), and revenues received from the proceeds of installment purchases entered into by the county to acquire assets for the unit under the authority of G. S. 153A-158.1.
Contributions and Donations	Include gifts, contributions, and donations received from private, nongovernmental sources.
County Appropriation	Include revenues provided to the local school administrative unit by the county for general purposes pursuant to G.S. 115C-429 and G.S. 115C-437.
Disposition of School Fixed Asset	Include revenues received from the sale or other disposition of school fixed assets. Includes the proceeds of the sale of school fixed assets, and revenues from the sale of scrap or salvage from school fixed assets.
Federal Funds Revenue	Include revenues received through the Department of Public Instruction by way of deposits to the state level Unit Disbursing Account at the State Treasurer.
Federal Revenue-Other Funds	Include revenues received directly from the federal government, or from other sources which are federal funded. These are funds which are not part of the allocation process from DPI, nor reflected on the DPI allotment form.
Fines and Forfeitures	Local Fund revenue received from Orange County. The sources of the revenue are the fines and forfeitures assessed by the Orange County Courts.
Fund Balance Appropriated	This code is used for budgetary purposes only. It records the amount of unexpended revenue from prior years which is being carried forward to

	balance the budget in the budget year pursuant to G.S. 115C-425.
Indirect Cost Allocated	Include in the Local Current Expense Fund the amounts received from indirect cost allocations. Include in the Child Nutrition Fund the amount of indirect cost charged to a Federal Grant, but not reimbursed to Local Current Expense Fund.
Insurance Settle School Property	Include monies received in settlement of insurance claims, which arise out of the loss, or destruction of school property that, under current law, would be purchased from the Capital Outlay Fund.
Miscellaneous Local Operating Revenues	Local Fund revenues that are small and miscellaneous in nature.
Other Restricted Local Sources	Include revenues received from local sources for restricted purposes, which are not elsewhere classified.
Paid Student Meal Supplement	Include revenues received from full pay supplements.
Reduced Student Meal Supplement	Include revenues received from reduced supplements.
Rental of School Property	Include revenues received for the use of school property by anyone other than the local school administrative unit. This includes fees received for use of school buildings for elections or other civic and public meetings as well as for rents received on longer-term leases of school real property.
Sales - Breakfast - Adults	Include revenues received from adult breakfasts.
Sales - Breakfast - Full Pay	Include revenues received from full pay breakfasts.
Sales - Lunch - Adults	Include revenues received from adult lunches.
Sales - Lunch - Full Pay	Include revenues received from full pay lunches.
Sales - Lunch - Reduced	Include revenues received from reduced lunches.
Sales - Other	Include other revenues received from sales not elsewhere classified
Sales - Supplemental Sales	Include revenues received from supplemental sales
Sales and Use Tax	Include revenues received from local government non-restricted sales tax sources.
State Allocated Restricted to Capital Outlay	Includes all revenues received from the Department of Public Instruction, and other state agencies for capital outlay. The specific program or area in which this revenue is being used must be indicated

	by PRC in order to designate the distinction of funding sources.
State Public School Fund Revenue	Include revenues allocated via the allotment process (and appearing on the allotment report) by the Department of Public Instruction from which expenditures for current operations are made by writing a warrant on the State Treasurer.
State Reimbursement for Breakfast	Include revenues received from state funds for reduced price breakfasts
Supplemental Tax - Current Year	Include revenues received from taxes levied on behalf of the local school administrative unit pursuant to G.S. 115C-511 for the current year.
Supplemental Tax - Prior Years	Include revenues received from taxes levied on behalf of the local school administrative unit pursuant to G.S. 115C-511 for prior years subject to the provisions of G.S. 159-27.
Textbooks	Include revenues received from the Department of Public Instruction for the purchase of textbooks.
Tuition & Fees - Regular	Local Fund revenue received from parents of students who attend CHCCS but live outside the District. The tuition is set each year to match the county and district tax revenues.
USDA Grant Summer Feeding Programs	Include revenues received from the Department of Public Instruction from the United States Department of Agriculture Grants - Summer Feeding Program for school food service.
USDA Grants - Commodities Used	This revenue represents the value of commodity foods used.
USDA Grants - Regular	Include revenues received from the Department of Public Instruction for the United States Department of Agriculture Grants - Regular for school food services.



FINANCIAL SECTION



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Roadmap to the Financial Section

The financial section of this budget document was developed using a structure as laid forth by the Association of School Business Officials (ASBO). ASBO details the use of a pyramid approach in communicating the District's financials. This approach begins at a broad level and proceeds to drill down to provide further details as each level of the pyramid is addressed. The levels are designed as follows:

Level One	Summary of Total Budget Total Revenues by Source Total Expenditures by Object
Level Two	Summary of Data for all Operating Funds Revenues by Source Expenditures by Object Expenditures by Purpose
Level Three	Summary Data for Individual Funds Revenues by Source Expenditures by Object Expenditures by Purpose

As you will see, the Level One Data will provide a snapshot of the budget at the Fund level to provide an understanding of how each fund is a building block for the overall budget. The Level Two Data will break down the Operating Funds to the purpose and object level to provide an understanding of how the Operating Funds work together to further the education provided by the District. The Level Three Data presents each fund individually and breaks down its data all the way to the purpose code. This provides an understanding of how each fund is used individually.

The use of this structure and level of detail serves to provide all users of the District's financial information with a better understanding of how the District uses the funds it receives to achieve the District's goals. It also serves to address the needs highlighted by the Board of Education's External Review to adopt a budget with enough detail to properly pre-audit all expenditures initiated by the District. Transparency, understandability, and the ability to be held accountable for financial decisions are essential to building trust between the District and the public.

Summary Data for Total Budget
Actual FY 2018 – Projected FY 2025
Revenues by Source and Expenditures by Object (Level One Data)

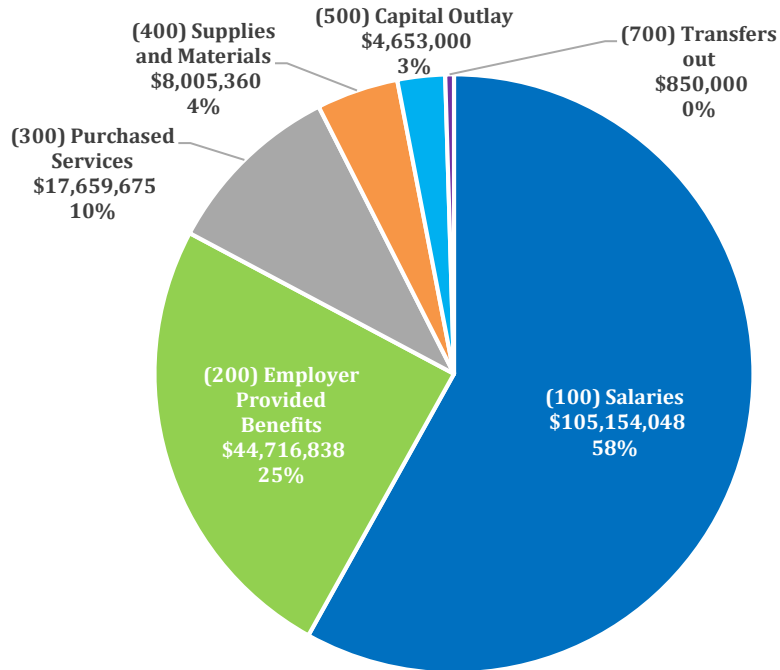
Total Budget (All Funds)					
	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
Revenues					
Revenues from State Sources	67,937,665	75,666,769	76,421,980	78,101,211	75,693,735
Revenues from Federal Sources	7,783,483	8,060,511	8,078,244	9,087,510	5,367,976
Revenues from Local Sources	89,847,756	111,862,862	128,769,196	99,365,877	96,396,464
Transfers in/Fund Balance Appropriated	520,001	469,845	335,956	225,000	3,580,746
Total Revenues	166,088,905	196,059,987	213,605,375	186,779,598	181,038,921
Expenditures					
(100) Salaries	98,980,190	103,706,914	104,930,044	106,484,883	105,154,048
(200) Employer Provided Benefits	34,185,804	36,721,311	38,170,567	41,107,542	44,716,838
(300) Purchased Services	15,785,164	15,953,587	15,943,053	12,550,413	17,659,675
(400) Supplies and Materials	5,362,855	7,987,310	6,520,906	11,576,748	8,005,360
(500) Capital Outlay	8,315,450	27,718,581	41,509,355	15,221,479	4,653,000
(700) Transfers out	1,077,249	1,095,916	981,092	1,073,102	850,000
Total Expenditures	163,706,712	193,183,620	208,055,018	188,014,167	181,038,921
Surplus/(Deficit) in Major Funds**	2,382,193	2,876,367	5,550,358	N/A *	-
Surplus/(Deficit) in Individual School Funds	(11,205)	30,468	141,064	N/A *	-
Total Surplus in All Funds	2,370,988	2,906,835	5,691,422	(1,125,420) *	-
Less Surplus/(Deficit) Attributed to Enterprise Funds	(292,220)	511,763	501,053	(838,514) *	-
Net Fund Balance Change in Governmental Funds	2,663,208	2,395,072	5,190,369	(286,906) *	-
Beginning Fund Balance (Governmental Funds)	13,189,463	15,852,671	18,247,743	23,438,112 *	-
Ending Fund Balance (Governmental Funds)	15,852,671	18,247,743	23,438,112	23,151,206 *	-

*FY2021 Audit has not been completed at the time of writing. The fund balance numbers shown are only estimates based on YTD Actuals thus far.

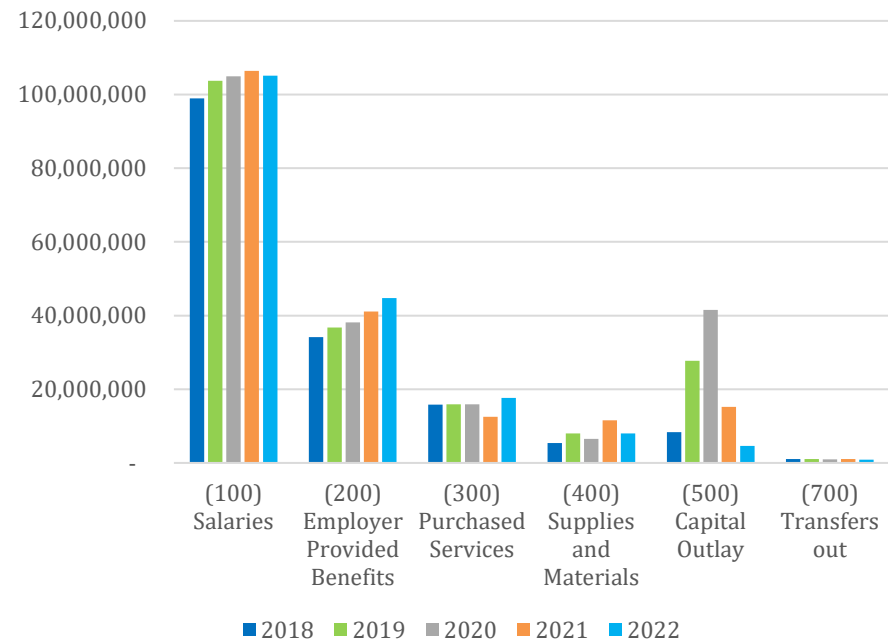
**Fund 6 combined with Fund 8 in 2019 and the Special Revenues Fund became a Major Fund

FY2018-FY2022 Total Budgeted Expenditure Analysis

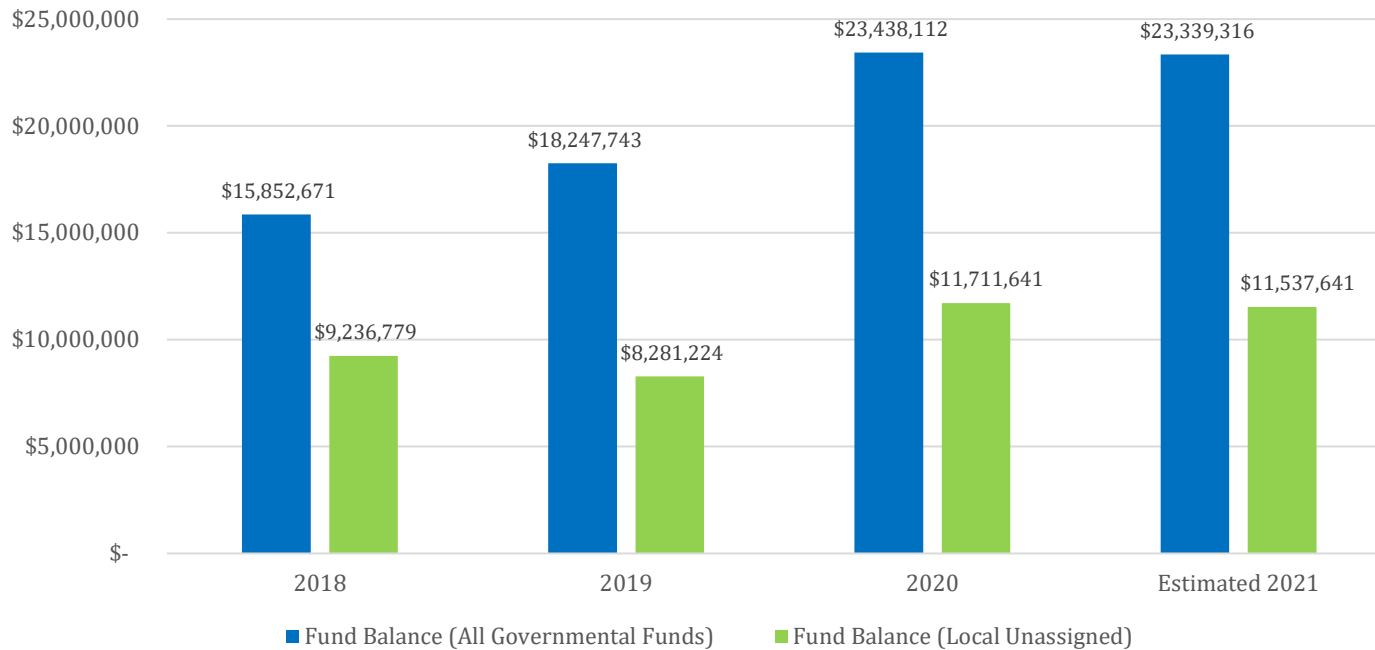
FY2022 Total Budget Expenditures by Object



Trends in Total Budget Object Codes - Last 5 Years



Fund Balance Trends FY2018 - Estimated FY2021



Budget Commentary:

The total budget trends shown above reveal important trends for the District Administration and Board of Education to keep in mind as they plan for the future. Though salaries show a slight drop in total compared to last year, they include salary increases in line with a conservative projection of the Governor’s proposed salary increases. The reason total salaries see a slight drop is over FY2021, several different measures were taken to improve and protect our employees during the pandemic. Some of these measures came with one-time salary-related increases, thus leading to an inflated total salary expenditure. That aside, District Administration recognizes the continuing upward trends in both salary and employer provided benefits. Along with the salary trend, the increase in supplies and materials in FY2021 stands out upon analysis. This combination flows through to fund balance and explains the decrease seen in the estimated ending fund balance number from FY2021. District Administration expects a continuation of this trend in fund balance and will see either an unchanged or slightly decreased fund balance at the end of FY2022.

Summary Data for Operating Funds

Actual FY 2018 – Budgeted FY 2022

Revenues by Source and Expenditures by Object and Purpose (Level Two Data)

State Public School Fund

	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
Revenues (by Source)					
Revenues from State Sources	71,197,013	77,174,283	77,441,188	79,075,602	74,864,746
Revenues from Federal Sources	-	-	-	-	-
Revenues from Local Sources	-	-	-	-	-
Transfers in/Fund Balance Appropriated	-	-	-	-	-
Total Revenues	71,197,013	77,174,283	77,441,188	79,075,602	74,864,746
Expenditures (by Object)					
(100) Salaries	50,036,102	52,396,593	53,631,447	55,885,090	48,994,940
(200) Employer Provided Benefits	16,658,779	17,375,360	18,237,801	18,258,549	23,725,273
(300) Purchased Services	1,646,331	2,822,692	2,202,741	1,849,341	1,162,823
(400) Supplies and Materials	1,782,617	3,527,113	2,491,664	3,082,622	981,710
(500) Capital Outlay	1,073,184	1,052,525	877,535	-	-
(700) Transfers out	-	-	-	-	-
Total Expenditures	71,197,013	77,174,283	77,441,188	79,075,602	74,864,746

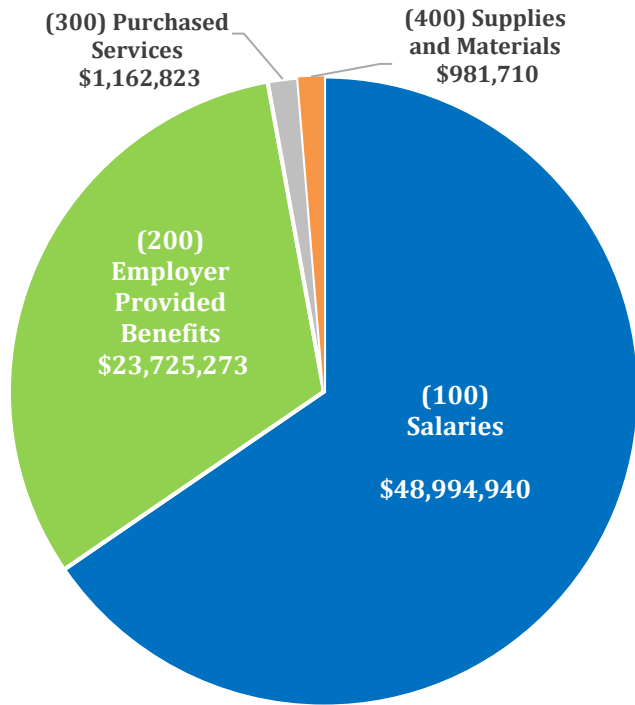
	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
Revenues (by Source)					
Revenues from State Sources	71,197,013	77,174,283	77,441,188	79,075,602	74,864,746
Revenues from Federal Sources	-	-	-	-	-
Revenues from Local Sources	-	-	-	-	-
Transfers in/Fund Balance Appropriated	-	-	-	-	-
Total Revenues	71,197,013	77,174,283	77,441,188	79,075,602	74,864,746
Expenditures (by Purpose)					
5110-Regular Curricular Services	41,567,933	43,799,517	33,380,410	32,948,909	30,647,075
5112-Cultural Arts Services	423,040	286,187	66,769	515,663	509,223
5113-Physical Education Curricular	80,986	51,671	921	-	-
5114-Foreign Language Curricular	217,399	185,956	67	-	-
5116-Homebound/Hospitalized Curricular	1,366,561	566,249	536,830	-	-
5120-CTE Curricular Services	3,572,160	3,734,019	3,837,873	3,869,610	3,937,320
5132-Cultural Arts Curricular Services	-	568,426	3,202,855	3,405,023	3,362,308
5133-Physical Education Curricular Services	-	263,480	2,443,370	2,637,208	2,604,001
5134-Foreign Language Curricular Services	-	482,641	3,099,130	3,716,927	5,683,743
Total 5100 - Regular Instructional Services	47,228,079	49,938,146	46,568,224	47,093,340	46,743,670
5210-Children W/Disabilities Curricular Services	5,402,627	5,533,960	8,231,398	8,846,795	8,059,848
5220-CTE Children W/Disabilities Curricular	-	186,593	150,052	150,395	198,619
5230-Pre-K Children W/Disabilities Curricular	-	-	-	71,607	65,034
5240-Speech & Language Pathology Services	667,992	482,092	655,528	635,956	584,227
5260-Academcially/Intellectually Gifted Curricular Services	796,290	1,397,357	1,272,906	1,186,171	1,140,558
5270-Limited English Proficiency Services	1,304,010	2,128,830	2,784,429	2,626,278	2,501,398
Total 5200 - Special Population Services	8,170,919	9,728,832	13,094,314	13,517,202	12,549,684

	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
5310-Alternative Instructional Services K-12	754,551	876,196	719,649	704,541	662,828
5320-Attendance & Social Work Services	764,598	1,364,491	1,483,295	1,445,079	1,294,379
5330-Remedial & Supplemental K-12 Services	576,972	607,847	648,794	833,075	850,972
5340-Pre-K Readiness/Remedial & Supplemental Services	-	-	-	6,390	-
5350-Extended Day/Year Instructional Services	5,580	16,671	16,578	330,593	-
5353-Summer School Instructional Services	633,400	452,127	198,474	705,465	430,992
Total 5300 - Alternative Program Services	2,735,101	3,317,332	3,066,790	4,025,144	3,239,171
5404-School Building Support Staff	48,848	50,007	6,255	916	-
5410-School Principal	1,894,816	2,074,937	2,312,154	2,221,519	2,042,755
5420-School Assistant Principal	1,103,037	1,170,006	1,090,791	1,252,832	1,096,921
Total 5400 - School Leadership Services	3,046,701	3,294,950	3,409,200	3,475,267	3,139,676
5810-Educational Media Services	422,032	383,499	399,324	328,606	319,412
5820-Attendance - Social Work Services	194,064	202,891	203,645	211,950	213,154
5830-Guidance Services	1,611,868	1,461,286	1,203,366	1,332,791	1,404,822
5840-Health Services	686,159	1,507,564	1,202,201	1,310,478	1,020,180
5860-Instructional Tech Services	726,774	667,798	1,208,053	1,009,370	646,226
5870-Staff Development	-	5,427	-	-	-
Total 5800 - School-Based Services	3,640,897	4,228,465	4,216,589	4,193,195	3,603,794
6110-Regular Curricular Support	141,122	108,799	109,507	32,856	30,191
6120-Vocational Curricular Support & Development Services	192,071	263,443	165,343	175,526	27,822
Total 6100 - Support and Development Services	333,193	372,242	274,850	208,382	58,013
6201-Children W/Disabilities Support	157,424	118,418	-	-	-
Total 6200 - Special Population Support and Development Services	157,424	118,418	-	-	-

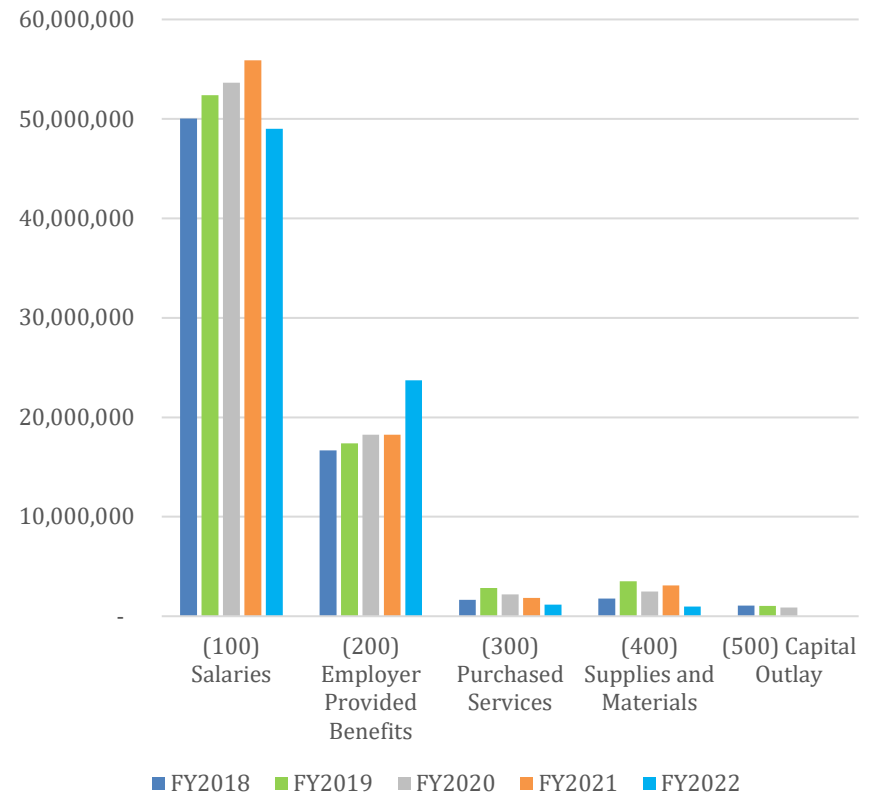
	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
6400-Technology Support Services	600,550	595,370	547,234	257,111	-
Total 6300 - Alternative Programs Support and Development Services	600,550	595,370	547,234	257,111	-
6540-Custodial/Housekeeping Services	2,376,811	2,642,303	2,950,245	3,122,139	3,170,329
6550-Transportation Services	2,337,121	2,237,685	2,561,062	2,353,101	1,747,428
Total 6500 - Operational Support Services	4,713,932	4,879,988	5,511,307	5,475,240	4,917,757
6611-Financial Management Services	-	-	2,716	123,392	116,576
6621-Human Resource Management	-	78,372	-	-	-
Total 6600 - Financial and Human Resource Services	-	78,372	2,716	123,392	116,576
6941-Office of The Superintendent	168,378	225,804	177,073	174,747	157,418
6942-Asst. Supt. For Instruction	224,676	219,226	271,099	161,015	168,436
6943-Asst. Supt. For Support Svc	132,161	118,158	55,406	187,999	170,551
Total 6900 -Policy, Leadership, and Public Relations Services	525,215	563,188	503,578	523,762	496,405
7200-Nutrition Services	45,002	58,980	255,688	183,566	-
Total 7200 - Nutrition Services	45,002	58,980	255,688	183,566	-
8100-Pay to Other Govt & Transfers of Funds	-	-	(9,300)	-	-
Total 8100 - Payments to Other Governmental Units	-	-	(9,300)	-	-
Total Expenditures	71,197,013	77,174,283	77,441,188	79,075,602	74,864,746

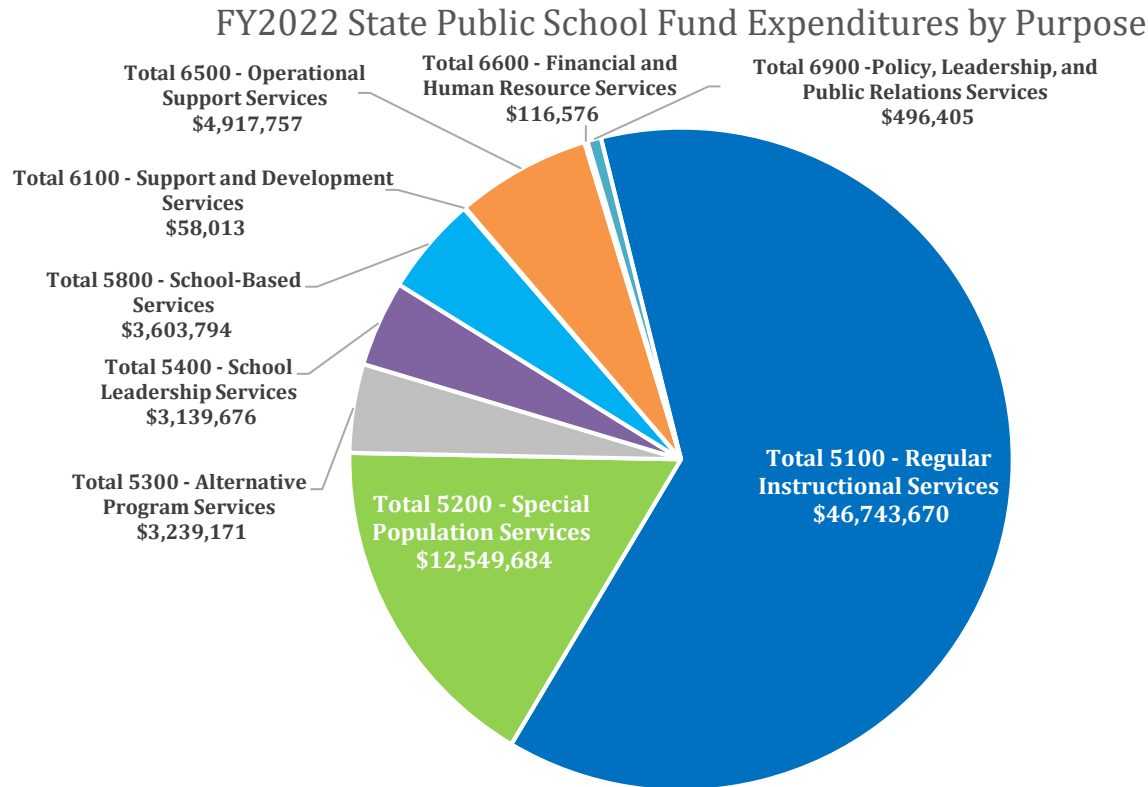
FY2018-2022 State Public School Fund Budgeted Expenditure Analysis

State Public School Fund Expenditures by Object



Five Year Trends by Object





Budget Commentary:

The State Public School Fund is a critical part of the District’s total operation. It is composed almost entirely of salaries and benefits, which frees up local funding. The object code trends show a change between our salary codes and our employer provided benefits codes. This changes simply represents a focus on a more accurate presentation of the initial District budget. Although there is no net change in the total of the two objects, the budget now reflects a closer representation of actual expenditures expected to occur over the year. The object code trends show the same increasing salaries and benefits trends discussed previously. Analysis of the purpose code allocations show over 75% of the State budget focused on regular instruction and special populations. Maintaining this distribution will continue to be a priority for the District as it targets funds to services directly impacting students at ground level.

Local Operating Fund

	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
Revenues (by Source)					
Revenues from State Sources	-	-	-	-	-
Revenues from Federal Sources	-	-	-	-	-
Revenues from Local Sources	75,523,896	76,537,906	78,507,490	78,708,083	79,914,197
Transfers in/Fund Balance Appropriated	1,234,334	200,000	3,100,000	5,511,261	2,532,092
Total Revenues	76,758,230	76,737,906	81,607,490	84,219,344	82,446,289
Expenditures (by Object)					
(100) Salaries	46,453,719	46,205,839	47,998,794	47,427,868	48,021,858
(200) Employer Provided Benefits	15,172,355	17,120,097	18,915,203	18,769,657	19,300,896
(300) Purchased Services	11,194,143	9,061,925	10,097,070	11,226,778	10,633,880
(400) Supplies and Materials	2,808,124	3,370,127	3,545,058	5,764,367	3,591,015
(500) Capital Outlay	58,347	84,003	70,273	70,144	48,640
(700) Transfers out	1,071,542	895,915	981,092	960,530	850,000
Total Expenditures	76,758,230	76,737,906	81,607,490	84,219,344	82,446,289

	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
Revenues (by Source)					
Revenues from State Sources	-	-	-	-	-
Revenues from Federal Sources	-	-	-	-	-
Revenues from Local Sources	75,523,896	76,537,906	78,507,490	78,708,083	79,914,197
Transfers in/Fund Balance Appropriated	1,234,334	200,000	3,100,000	5,511,261	2,532,092
Total Revenues	76,758,230	76,737,906	81,607,490	84,219,344	82,446,289
Expenditures (by Purpose)					
5110-Regular Curricular Services	21,411,534	23,336,452	22,203,625	21,260,308	25,316,123
5112-Cultural Arts Services	98,989	76,977	-	-	-
5113-Physical Education Curricular	41,074	65,267	35,370	35,018	2,513
5114-Foreign Language Curricular	7,175	5,737	10,305	10,292	10,700
5116-Homebound/Hospitalized Curricular	245,017	293,721	362,278	322,238	281,504
5117-High School Academies	-	-	13,720	29,881	19,623
5118-Department Chairs	-	-	3,293	46,620	47,299
5120-CTE Curricular Services	630,181	592,648	644,482	656,067	614,890
5132-Cultural Arts Curricular Services	-	363,145	1,285,003	1,256,798	1,291,643
5133-Physical Education Curricular Services	-	188,527	822,796	836,831	888,700
5134-Foreign Language Curricular Services	-	283,713	1,351,341	1,292,020	1,274,154
Total 5100 - Regular Instructional Services	22,433,970	25,206,187	26,732,213	25,746,073	29,747,149
5210-Children W/Disabilities Curricular Services	9,060,855	9,193,589	6,689,350	6,734,706	5,942,904
5211-Ec Homebound Curricular Services	6,556	-	-	-	-
5220-CTE Children W/Disabilities Curricular	75,073	94,094	44,001	44,453	45,956
5230-Pre-K Children W/Disabilities Curricular	645,512	343,393	474,829	470,450	454,953
5240-Speech & Language Pathology Services	946,426	1,238,313	1,092,936	1,321,912	1,184,393
5260-AIG Curricular Services	1,159,299	928,245	1,585,490	1,898,361	1,701,488
5270-LEP Services	2,094,910	1,589,855	1,593,229	1,560,869	1,516,921
Total 5200 - Special Population Services	13,988,631	13,387,488	11,479,835	12,030,750	10,846,615

	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
5310-Alternative Instructional Services K-12	150,186	153,799	300,975	304,865	280,863
5320-Attendance & Social Work Services	1,044,084	672,260	802,605	858,783	1,087,926
5330-Remedial & Supplemental K-12 Services	407,663	575,613	1,450,001	1,613,132	1,161,250
5340-Pre-K Readiness/Remedial & Supplemental	808,692	368,148	546,513	556,389	586,751
5350-Extended Day/Year Instructional Services	-	4,777	1,021	562,658	69,628
5351-Before/After School Instruction	-	-	314,500	316,160	107,530
5353-Summer School Instruction	155,466	207,887	307,544	223,401	102,041
Total 5300 - Alternative Program Services	2,566,091	1,982,484	3,723,159	4,435,387	3,395,989
5400-School Leadership Services	-	49	66,252	64,466	75,543
5401-Principal's Office	-	2	-	-	-
5402-Assistant Principal	-	-	-	-	627
5403-School Treasurer	-	-	60,112	53,757	77,564
5404-School Building Support Staff	2,180,974	2,151,457	2,183,403	2,185,634	2,191,423
5410-School Principal	1,238,917	1,340,790	1,189,485	1,131,899	1,088,488
5420-School Assistant Principal	1,318,110	1,484,672	1,547,769	1,575,292	1,904,992
Total 5400 - School Leadership Services	4,738,001	4,976,970	5,047,021	5,011,048	5,338,637
5501-Athletics	1,653,690	1,749,796	2,051,107	2,030,187	1,991,108
5502-Cultural Arts	214,237	220,706	212,339	210,966	243,520
5503-School Clubs & Student Organizations	298,205	374,508	480,481	438,055	385,149
5504-Before/After School Care	254,782	79,331	-	-	-
Total 5500 - Co-Curricular Services	2,420,914	2,424,341	2,743,927	2,679,208	2,619,777
5810-Educational Media Services	1,190,226	1,389,612	1,776,264	1,943,048	1,671,219
5820-Attendance - Social Work Services	777,619	796,122	803,947	828,015	863,082
5830-Guidance Services	2,194,276	2,578,120	2,852,051	2,764,899	3,196,458
5840-Health Services	2,603,073	574,892	1,005,209	1,237,194	764,929

	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
5841-ABC/Student Health Services	45,000	41,678	1,740	617	-
5848-Other Health Services	-	-	215,244	7,637	-
5850-Safety and Security Support	1,409,000	893,141	1,013,033	969,624	1,120,629
5860-Instructional Tech Services	757,462	1,050,564	1,143,960	1,071,755	1,092,464
5870-Staff Development	645,794	761,523	985,184	710,029	795,011
5880-Parent Involvement Services	3,765	-	21,810	15,983	22,465
5890-Volunteer Services	294,733	333,335	352,867	358,452	318,213
Total 5800 - School-Based Services	9,920,948	8,418,987	10,171,309	9,907,253	9,844,470
6110-Regular Curricular Support	1,150,242	939,452	1,006,324	1,021,588	1,136,384
6112-Cultural Arts Curricular Support and Development Services	-	-	4,950	1,449	500
6113-Physical Education Curricular Support and Development Services	90,483	1,519	1,529	1,164	1,570
6115-Technology Curricular Support	119,709	123,778	125,814	128,018	130,370
6120-Voc Curricular Support & Development Services	130,974	150,815	148,605	151,163	156,509
Total 6100 - Support and Development Services	1,491,408	1,215,564	1,287,222	1,303,382	1,425,333
6200-Spec Pop Support/Development Services	24,609	6,481	40,294	60,394	59,996
6201-Children W/Disabilities Support	211,255	229,421	405,603	384,482	355,713
6206-Aig Support and Development Services	-	-	4,000	-	-
6207-Lep Support and Development	166,513	137,005	233,432	233,040	252,721
Total 6200 - Special Population Support and Development Services	402,377	372,907	683,329	677,916	668,430
6303-Remedial and Supplemental Services K-12 Support Services	-	-	18,500	-	-
6304-Prek Readiness/Remedial Supp	57,433	30,782	25,975	24,643	16,322
6305-Extended Day/Year Instructional Support Services	-	1,141	1,000	3,000	3,000
Total 6300 - Alternative Programs and Services Support and Development Services	57,433	31,923	45,475	27,643	19,322

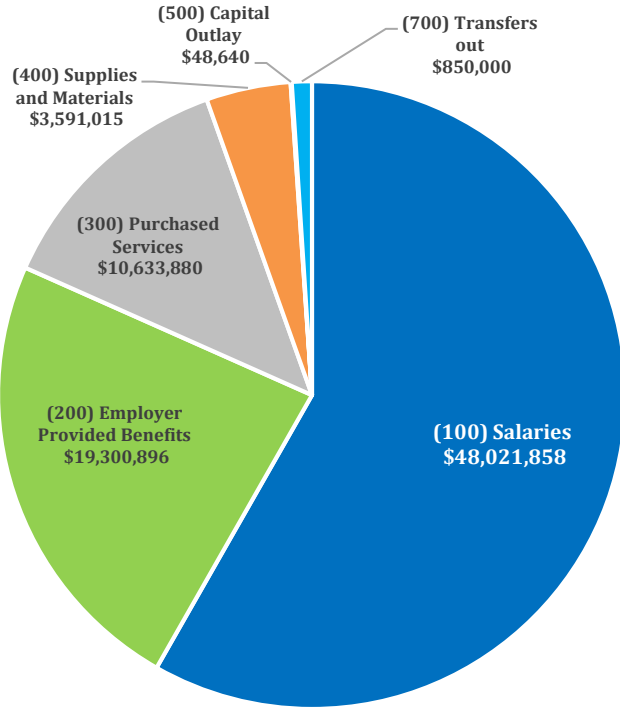
	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
6400-Technology Support Services	1,723,724	1,779,033	1,994,576	1,956,820	2,009,978
6401-Technology Services	336,027	356,232	300,011	305,984	163,376
6403-Technology User Support Services	158,973	135,327	384,535	391,257	39,900
Total 6400 - Technology Support Services	2,218,724	2,270,592	2,679,122	2,654,061	2,213,254
6510-Direction of Business Support	495,502	136,638	130,000	196,393	130,000
6520-Printing and Copying Services	464,767	473,697	-	-	-
6530-Public Utilities & Energy	3,108,980	3,501,949	3,036,730	3,316,000	3,211,000
6540-Custodial/Housekeeping Services	1,332,110	1,153,510	1,366,612	2,203,960	1,792,524
6550-Transportation of Pupils	837,888	1,047,013	1,903,155	1,904,291	831,719
6570-Facilities Planning & Acquisition	-	-	46,000	4,783	-
6580-Maintenance Services	2,730,419	2,657,070	2,827,599	3,343,669	3,113,997
6581-Glass Maintenance	7,015	9,175	8,300	8,300	8,300
6582-Grounds Maintenance	5,000	25,493	16,079	14,079	16,079
6583-Electrical Maintenance	17,600	35,823	28,692	28,521	28,521
6584-Vehicle Maintenance	88,000	81,050	93,100	93,100	93,100
6585-Hvac Maintenance	18,000	57,159	63,730	62,396	62,396
6586-Plumbing Maintenance	8,000	26,347	23,700	23,700	23,700
6588-Locksmith	1,796	2,720	2,400	2,400	2,400
Total 6500 - Operational Support Services	9,115,077	9,207,644	9,546,097	11,201,592	9,313,736
6611-Financial Office	1,036,815	1,121,289	996,014	971,299	851,634
6612-Purchasing Services	60,847	63,553	63,620	64,855	47,441
6613-Risk Management Services	338,411	367,350	348,649	399,131	439,128
6620-Human Resources	-	-	43,175	17,390	53,175
6621-Human Resources	825,707	915,302	968,418	836,001	1,039,532
6622-Recruitment Services	-	-	72,840	49,475	72,840
6623-Staff Development Services	-	-	105,366	81,972	46,633
6624-Salary and Benefits Services	67,651	63,830	139,420	144,667	97,494
Total 6600 - Financial and Human Resource Services	2,329,431	2,531,324	2,737,502	2,564,790	2,647,877

	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
6710-Student Testing Services	41,105	3,016	69,271	70,594	111,600
6720-Planning, Research Dev & Program	462,210	549,355	514,462	426,305	468,237
Total 6700 - Accountability Services	503,315	552,371	583,733	496,899	579,837
6800-Systemwide Pupil Support Services	-	-	14,019	-	-
6820-Student Accounting Support Services	-	-	14,930	81,830	81,830
6830-Guidance Support Services	-	-	29,923	1,349	2,407
6840-Health Support Services	-	-	-	2,991	1,682
6850-Safety & Security Support Services	-	-	17,000	1,527,000	17,000
6860-Instructional Tech Support Services	-	-	5,000	5,000	5,000
Total 6800 - System-wide Pupil Support Services	-	-	80,872	1,618,170	107,919
6910-Other Support Services - Employee Benefits	335,611	145,402	193,330	185,035	91,584
6920-Other Support Services - Additional Pay	206,121	246,660	305,000	305,000	305,000
6930-Workshop	-	-	-	12,746	-
6932-External Audit	60,000	54,963	50,000	50,000	50,000
6941-Office of The Superintendent	758,928	460,883	292,264	496,606	445,154
6942-Office of Asst. Supt. For Instruction	962,488	625,521	637,926	552,272	822,696
6943-Office of Asst. Supt. For Support Services	860,372	1,127,080	864,623	632,639	667,721
6944-Office of School Support and Wellness	-	76,723	124,131	57,753	25,350
6945-Office of Strategic Planning	-	176,220	199,922	193,264	13,220
6950-Public Relations & Marketing Services	316,848	349,757	406,743	417,684	405,134
Total 6900 -Policy, Leadership, and Public Relations Services	3,500,368	3,263,209	3,073,939	2,902,999	2,825,859
7200-Nutrition Services	-	-	11,643	1,643	2,086
Total 7200 - Nutrition Services	-	-	11,643	1,643	2,086

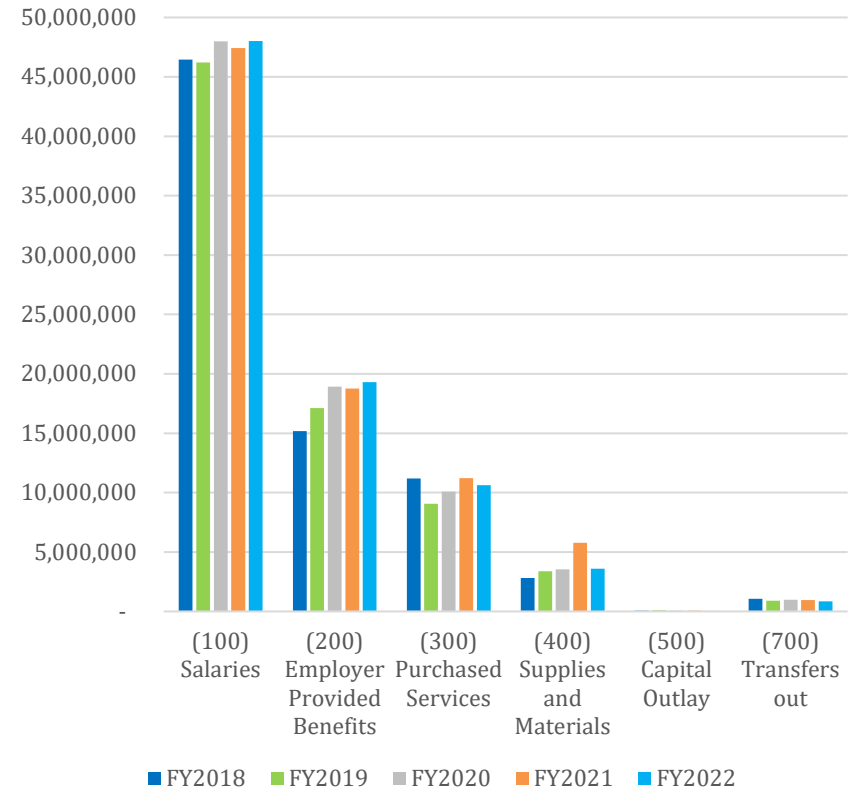
	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
8100-Pay To Other Governments & Transfers Of Funds	1,071,542	895,915	981,092	960,530	850,000
Total 8100 - Payments to Other Governmental Units	1,071,542	895,915	981,092	960,530	850,000
Total Expenditures	76,758,230	76,737,906	81,607,490	84,219,344	82,446,289

FY2018-2022 Local Operating Budgeted Expenditure Analysis

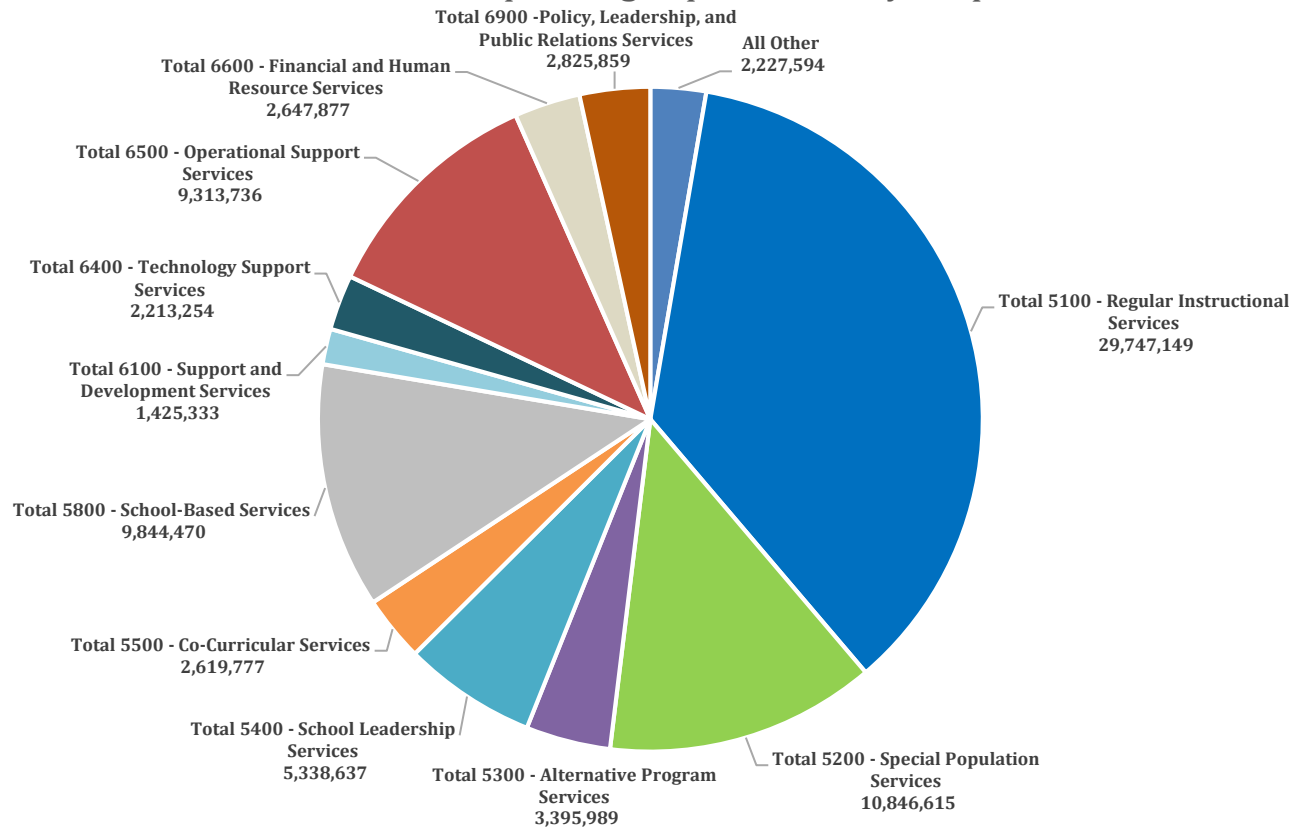
FY2022 Local Operating Expenditures by Object



Five Year Trends by Object



FY2022 Local Operating Expenditures by Purpose



Budget Commentary:

The Local Operating Budget is another critical funding source for the District’s operations. The object code trends continue to show the increasing salary and benefits as seen across the board. The also highlight the increased expenditures in supplies and purchased services that can be tied as a direct result of keeping schools safe during the COVID pandemic. With the uncertainty of new variants moving forward, that is an important note for Administration and the Board to remember as they look to future planning. The purpose code allocations show the same focus on services directly impacting schools with approximately 50% in regular instructional and special population services, 25% in other school-based services like alternative programs, co-curricular, and school leadership, and the remaining 25% in District level support services like operations, finance, and technology.

Federal Grants Fund

	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
Revenues (by Source)					
Revenues from State Sources	-	-	-	-	-
Revenues from Federal Sources	3,989,233	4,530,260	5,560,321	9,366,914	5,554,898
Revenues from Local Sources	-	-	-	-	-
Transfers in/Fund Balance Appropriated	-	-	-	-	-
Total Revenues	3,989,233	4,530,260	5,560,321	9,366,914	5,554,898
Expenditures (by Object)					
(100) Salaries	2,572,498	2,493,609	1,936,438	5,211,848	4,063,046
(200) Employer Provided Benefits	824,739	749,978	602,560	891,749	654,456
(300) Purchased Services	472,308	1,055,357	1,616,746	1,680,041	540,694
(400) Supplies and Materials	119,688	221,385	1,404,577	1,583,276	296,702
(500) Capital Outlay		9,931		-	-
(700) Transfers out				-	-
Total Expenditures	3,989,233	4,530,260	5,560,321	9,366,914	5,554,898

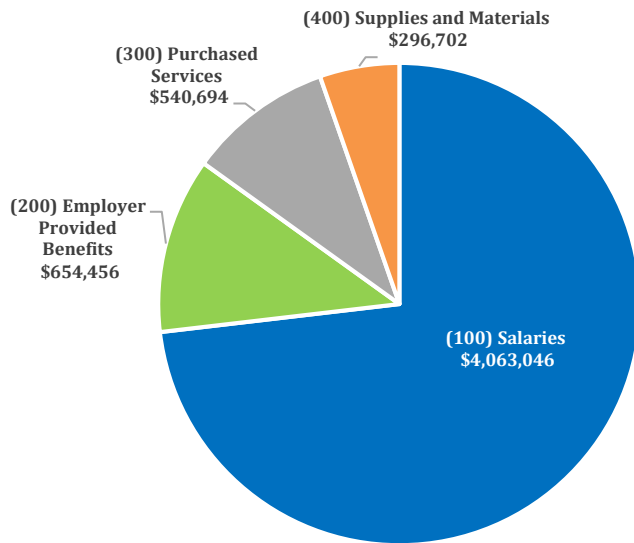
	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
Revenues (by Source)					
Revenues from State Sources	-	-	-	-	-
Revenues from Federal Sources	3,989,233	4,530,260	5,560,321	9,366,914	5,554,898
Revenues from Local Sources	-	-	-	-	-
Transfers in/Fund Balance Appropriated	-	-	-	-	-
Total Revenues	3,989,233	4,530,260	5,560,321	9,366,914	5,554,898
Expenditures (by Purpose)					
5110-Regular Curricular Services	182,539	282,959	331,173	315,499	78,917
5120-CTE Curricular Services	93,705	100,312	106,465	110,672	123,974
Total 5100 - Regular Instructional Services	276,244	383,271	437,638	426,171	202,891
5210-Children w/Disab Curricular Se	1,300,698	1,411,114	1,741,440	2,117,780	1,391,932
5230-Pre-K Children w/Disab Curric	173,802	135,749	75,142	-	-
5240-Speech & Language Path Serv	170,975	178,207	139,656	121,220	134,679
5270-LEP Services	120,532	96,935	153,869	151,869	-
Total 5200 - Special Population Services	1,766,006	1,822,005	2,110,107	2,390,869	1,526,611
5310-Alternative Instruct Svcs K-12	12,000	38,309	138,651	64,006	-
5320-Attendance & Social Work Svcs	85,980	4,720	-	81,777	-
5330-Remedial & Suppl K-12 Svcs	940,684	943,619	919,988	1,125,901	-
5350-Extended Day/Year Instr Svcs	-	40,214	70,638	252,003	156,183
5360-School Extension Learning Recovery and Enrichment Program Instructional Services	-	-	-	3,182,423	2,829,245
Total 5300 - Alternative Program Services	1,038,664	1,026,862	1,129,276	4,706,110	2,985,428

	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
5830-Guidance Services	-	-	2,500	81,777	-
5840-Health Services	99,211	118,428	116,700	165,065	82,331
5860-Instructional Tech Services	-	-	-	-	29,920
5870-STAFF DEVELOPMENT	9,547	37,221	-	-	-
5880-PARENT INVOLVEMENT SERVICES	107,939	133,803	85,601	70,930	-
Total 5800 - School-Based Services	216,697	289,452	204,801	317,772	112,251
6120-Voc Curr Support & Dev Svcs	-	3,459	6,223	-	-
Total 6100 - Support and Development Services	-	3,459	6,223	-	-
6200-Spec Pop Support/Dev Svcs	258,579	280,142	252,607	251,633	518,778
6201-CHILDREN W/DISAB SUPPORT	111,324	77,033	73,029	64,033	50,281
Total 6200 - Special Population Support and Development Services	369,903	357,176	325,637	315,666	569,059
6300-Alt Progs & Svcs Support/Dev	88,305	88,555	84,172	75,200	99,918
Total 6300 - Alternative Programs and Services Support and Development Services	88,305	88,555	84,172	75,200	99,918
6400-Technology Support Services	-	-	591,806	591,806	-
Total 6400 - Technology Support Services	-	-	591,806	591,806	-
6550-Transportation of Pupils	73,142	208,908	230,000	125,000	-
6580-Maintenance of Plant	-	41,589	220,000	220,000	-
Total 6500 - Operational Support Services	73,142	250,497	450,000	345,000	-
6940-Leadership Services	3,368	3,604	10,000	-	-
Total 6900 -Policy, Leadership, and Public Relations Services	3,368	3,604	10,000	-	-

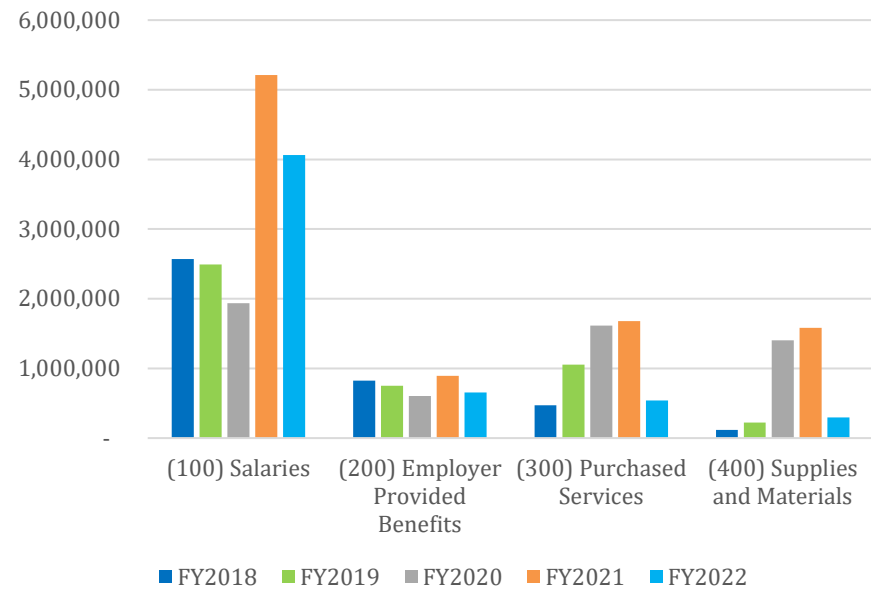
	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
8100-Pay to Oth Govt & Tfrs of Fund	113,331	112,679	118,032	113,511	58,571
Total 8100 - Payments to Other Governmental Units	113,331	112,679	118,032	113,511	58,571
8200-Unbudgeted Federal Grant Funds	43,572	192,701	92,629	84,809	168
Total 8200 - Unbudgeted Funds	43,572	192,701	92,629	84,809	168
Total Expenditures	3,989,233	4,530,260	5,560,321	9,366,914	5,554,898

FY2018-2022 Federal Grants Fund Budgeted Expenditure Analysis

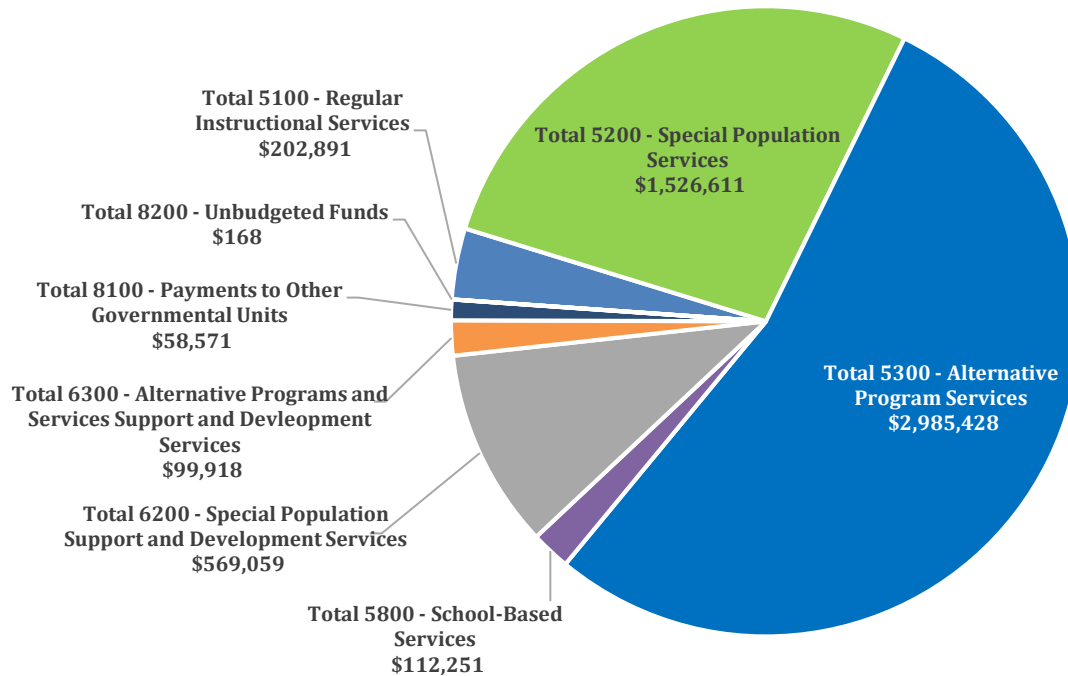
FY2022 Federal Grants Fund Expenditures by Object



Five Year Trends by Object



FY2022 Federal Grants Fund Expenditures by Purpose



Budget Commentary:

The Federal Grants Fund represents a majority of the revenues received by the District in form of Grants from the Federal Government. It is important to note with this fund that the revenues received are often on temporary timelines with an eventual expiration date. Therefore, it is difficult to compare historical data and use historical data as a guide for future years. For example, the previous fiscal year included a large sum of federal stimulus money that was a one-time revenue source. The next round of federal stimulus has not been fully allotted, and is therefore not included in this adopted budget. When it is officially allotted, it will be included as a budget amendment and become a part of the adopted budget at that point. The analysis shows that our current Federal Grants funding is targeted towards special populations services and alternative program services like our Exceptional Children Department.

Capital Outlay Fund

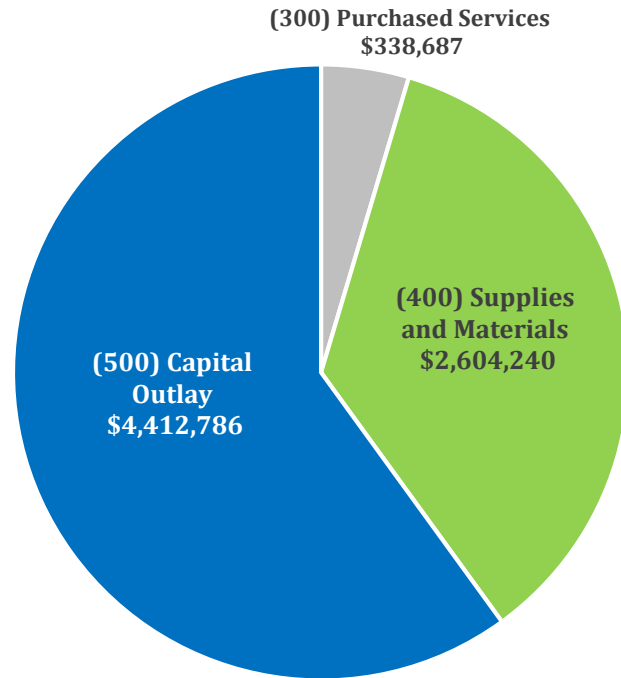
	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
Revenues (by Source)					
Revenues from State Sources	657,635	193,580	150,527	150,227	-
Revenues from Federal Sources	-	-	-	-	-
Revenues from Local Sources	82,576,228	82,815,940	59,763,028	28,319,730	6,357,059
Transfers in/Fund Balance Appropriated	436,133	-	-	1,237,595	998,654
Total Revenues	83,669,996	83,009,520	59,913,555	29,707,552	7,355,713
Expenditures (by Object)					
(100) Salaries			-	-	-
(200) Employer Provided Benefits			-	-	-
(300) Purchased Services	292,977	169,147	2,292,409	2,436,052	338,687
(400) Supplies and Materials	1,208,461	1,652,599	1,789,203	3,000,358	2,604,240
(500) Capital Outlay	82,168,558	81,187,774	55,831,943	24,271,142	4,412,786
(700) Transfers out	-	-	-	-	-
Total Expenditures	83,669,996	83,009,520	59,913,555	29,707,552	7,355,713

	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
Revenues (by Source)					
Revenues from State Sources	657,635	193,580	150,527	150,227	-
Revenues from Federal Sources	-	-	-	-	-
Revenues from Local Sources	82,576,228	82,815,940	59,763,028	28,319,730	6,357,059
Transfers in/Fund Balance Appropriated	436,133	-	-	1,237,595	998,654
Total Revenues	83,669,996	83,009,520	59,913,555	29,707,552	7,355,713
Expenditures (by Purpose)					
5110-Regular Curricular Services	140,581	163,201	327,300	381,480	342,907
5112-Cultural Arts Services	5,500	5,500	-	-	-
5132-Cultural Arts Curricular Services	-	-	10,000	10,000	10,000
Total 5100 - Regular Instructional Services	146,081	168,701	337,300	391,480	352,907
6400-Technology Support Services	605,631	295,000	887,170	435,000	225,000
Total 6400 - Technology Support Services	605,631	295,000	887,170	435,000	225,000
6520-Printing and Copying Services	3,500	2,159	-	-	-
6540-Custodial/Housekeeping Services	13,748	4,396	14,300	8,596	10,000
6550-Transportation of Pupils	749,035	374,572	41,000	131,168	5,000
6580-Maintenance of Plant	-	-	458,716	101,479	-
Total 6500 - Operational Support Services	766,283	381,127	514,016	241,243	15,000
6943-Office of the Chief Operations Officer	20,000	869	800	-	-
Total 6900 -Policy, Leadership, and Public Relations Services	20,000	869	800	-	-
7200-Nutrition Services	51,252	45,000	51,399	45,000	45,000
Total 7200 - Nutrition Services	51,252	45,000	51,399	45,000	45,000

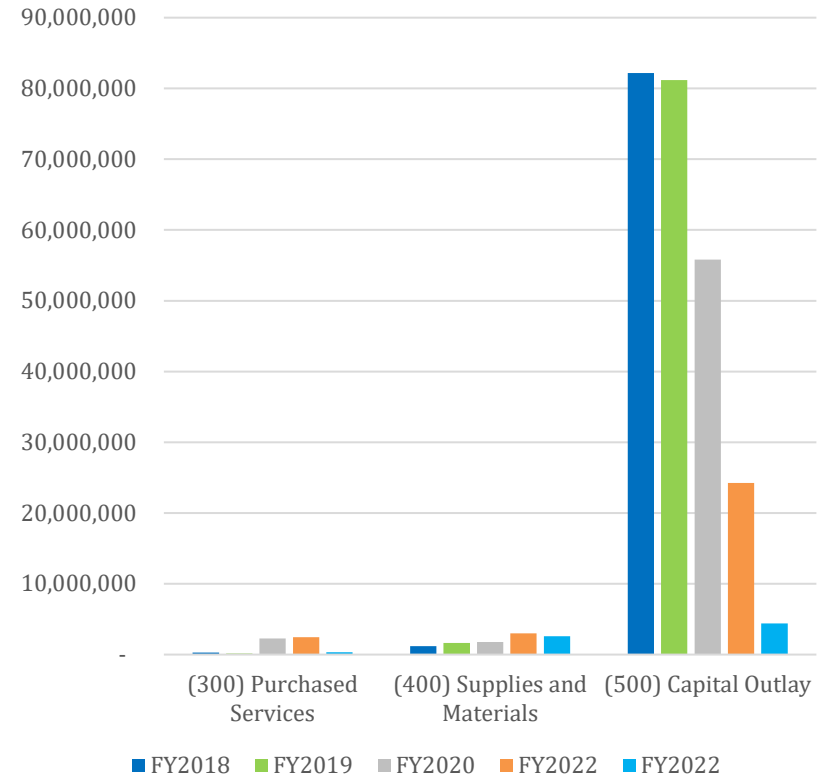
8300-Debt Service	-	-	150,527	150,227	-
Total 8300 - Debt Services	-	-	150,527	150,227	-
9000-Capital Outlay	82,080,749	82,118,823	57,972,343	28,444,602	6,717,806
Total 9000 - Capital Outlay	82,080,749	82,118,823	57,972,343	28,444,602	6,717,806
Total Expenditures	83,669,996	83,009,520	59,913,555	29,707,552	7,355,713

FY2018-2022 Capital Outlay Budgeted Expenditure Analysis

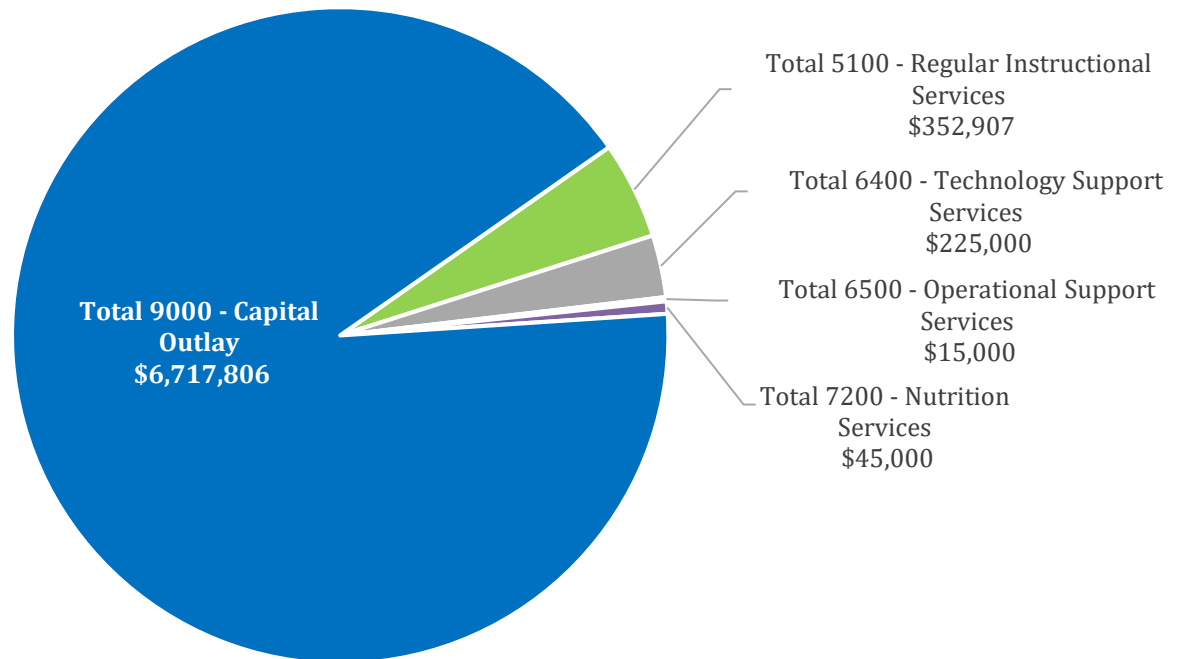
FY2022 Capital Outlay Expenditures by Object



Five Year Trends by Object



FY2022 Capital Outlay Expenditures by Purpose



Budget Commentary:

The Capital Outlay Fund is money that primarily comes from Orange County to improve and maintain the buildings around the District. The trends above track the progress of the Chapel Hill High School construction project as it came to an end in FY2021. A large portion of the Capital Outlay Fund is allocated to identified projects and improvement in the Capital Investment Plan (CIP) each year. The approved CIP plan for the District is included below along with the funding sources to match the projects.

FY2022-31 Capital Investment Plan (CIP)

PROJECT TITLE (County Project Number)	Current Projects Funded	Year 1 2021-22	Year 2 2022-23	Year 3 2023-24	Year 4 2024-25	Year 5 2025-2026	Five Year Total	Years 6 to 10 2026-2031
ADA Requirements (54000)	40,000	50,000	50,000	50,000	60,000	50,000	260,000	300,000
Abatement Projects (54001)								
District Abatement Projects		75,000	75,000	75,000	75,000	75,000	375,000	375,000
Phillips: Complete Remove of Asbestos Floor Tile								
Athletic Facilities (54002)								
CHS: Field Improvements	100,000	100,000	50,000			100,000	250,000	200,000
CHHS: Field Improvements	100,000				100,000		100,000	100,000
ECHHS: Field Improvements	106,923					100,000	100,000	100,000
Smith MS: Bleachers/Field Improvements		50,000					50,000	
Classroom/Building Improvements (53025)								
Older School Improvements (TBD)						658,963	658,963	950,000
Phillips: 4 Science Classrooms Casework					350,000		350,000	
Ephesus: Drainage and Mobile unit restrooms		100,000					100,000	
FPG: new playground								
Playground Equ.: Seawell, Carrboro, Estes Hills, Ephesus	100,000	175,000		175,000	175,000	150,000	675,000	600,000
Mobile Classrooms: Seawell/LinCtr - repairs	50,000		200,000				200,000	250,000
Doors/Hardware/Canopies (53023)								
District Hardware and Door Replacements		100,000	100,000	100,000	100,000	100,000	500,000	375,000
Seawell: Expand canopies								150,000
FPG: Canopy at Kiss n Go and Bus Circle					150,000		150,000	
Ephesus: Canopy at Kiss and Go				150,000			150,000	
Electrical Systems (53026)								
All Schools: Electrical Installations		150,000	150,000	150,000	150,000	150,000	750,000	650,000
Energy Efficiency Improvements (54003)								970,000
Ephesus/Seawell: Replace pneumatic controls		200,000					200,000	
McDComplex: Elem Pneumatic conversion						100,000	100,000	
ECHHS: Replace Pneumatic-convert to Digital Controls			93,000	250,000	228,682		571,682	
Fire/Safety/Security Systems (54004)								
Security Systems: Camera Upgrades/Expansions/ Signage/Radio Systems		100,000	100,000	195,000	87,000	195,000	677,000	600,000
Signage Program: FPG, Estes Hills, Phillips	35,000							
FPG Intercom System			100,000				100,000	
Cellular Lines for Fire Safety Systems: GES, MSES, CMS, EES		60,000					60,000	

Indoor Air Quality Improvements (54005)								
District IAQ Projects		100,000	100,000	100,000	100,000	100,000	500,000	500,000
Rental Space (54019)								
		155,000	155,000	155,000	155,000	155,000	775,000	800,000
Paving: Parking Lots/Driveways/Walkways (54008)								
McD Mdl: bus driveway and parking lot paving			50,000				50,000	28,372
ECHHS: bus driveway and parking lot paving					75,000		75,000	
CHHS/SMS: bus driveways and rear parking lots	200,000							
Roofing/Building Waterproofing Projects (54012)								
Smith: ice guards	100,000							
Smith: Roof project (at 20 years) estimate		289,848	1,192,160				1,482,008	750,000
Scroggs/Phillips: brick pointing/envelope seal	75,000							
Rashkis: Roof replacement (20 years)								2,250,000
ECHHS: Roof project (at 25 years)								2,225,000
CarrboroHS: roof replacement (20 years)				1,003,447	300,000	150,000	1,453,447	250,000
Storm Water Management (54020)								
Restorations/certifications		50,000	60,000	60,000	75,000	75,000	320,000	250,000
Mechanical Systems (54006)								
Mechanical Systems IAQ/HVAC Cleaning	150,000	306,520				400,000	706,520	
ECHHS Replace pneumatic controls			134,382	250,000	165,000		549,382	
ECHHS Cooling Tower			150,000				150,000	
McDougle Mdl: HVAC Systems: replace pneumatic controls								
Estes Hills: replace sewer pump system	40,000							
Rashkis: Chiller replacement								
ECHHS: Chiller 2 Replacement	250,000				335,000		335,000	
EstesHills/Ephesus: boiler replacements	150,000							
Sustainability Investment (54021)								
Phillips: Lighting conversions to LED/Energy Mgt Systems	50,000		83,236	83,107	82,977	92,844	342,164	
CarrboroElm/EstesHills: conversions to LED						100,000	100,000	
Information Technology - IT (54013)								
		1,284,020	552,692	650,000	735,000	800,000	4,021,712	5,920,843
Article 46 Sales Tax - Funded Projects								
-Technology: Student Access Computing Devices		900,000	900,000	892,000	840,000	1,159,946	4,691,946	4,250,000
Improvements at Older Schools:								
-HVAC Mechanical Cleaning		93,480					93,480	-
-Carrboro High School Roof						257,889	257,889	-
-Culbreth: Heat Pumps Replacement			180,055				180,055	
-ECHHS: replace pneumatic controls/EMS Controls								
-Rashkis Chiller								540,000
-Glenwood: HVAC Energy Management Controls		-		150,000			150,000	
-Phillips: HVAC/Heat Pumps		-	180,395	268,868	523,303		972,566	
-ECHHS: Cooling Tower								

-Smith MS Roof Project		128,491					128,491	
-Carrboro High Roof Project								2,775,000
-LED Light Conversion Parking Lots		90,000					90,000	
-Sustainability (Solar, Mechanical & Light Projects)								421,628
TOTAL CIP EXPENDITURES	1,546,923	4,557,359	4,655,920	4,757,422	4,861,962	4,969,642	23,802,305	26,580,843

CAPITAL FUNDING SOURCES	Year 1 2021-22	Year 2 2022-23	Year 3 2023-24	Year 4 2024-25	Year 5 2025-2026	Five Year Total	Years 6-10 2026-31
Long Range - Debt Financing	2,504,116	2,554,198	2,605,282	2,657,388	2,710,536	13,031,520	14,387,855
Lottery Funds - Budgeted	841,272	841,272	841,272	841,272	841,272	4,206,360	4,206,360
Facility Improvements - 5 Year Funding	-	-	-	-	-	-	-
Article 46 Sales Tax - 1/4 Cent	1,211,971	1,260,450	1,310,868	1,363,303	1,417,835	6,564,426	7,986,628
TOTAL CIP FUNDING	4,557,359	4,655,920	4,757,422	4,861,962	4,969,642	23,802,305	26,580,843

2016 SCHOOL BOND - \$72,108,000	2018-21	2022 Financing	Five Year Total
PROJECTS:			
Chapel Hill High School Renovation Project	68,628,000	1,922,000	70,550,000
Lincoln Center Campus (Moved to CHHS)	1,558,000		1,558,000
Extra Capital Funding 3-YR -\$17,997,000		2020-2021	2021-2022
Phase I: Older School Improvements: Mechanical Systems and Light upgrades; A&E Phase II-III Facilities Study (1,118,742)		1,800,000	
			2022-2023
			Three Year Total
			1,800,000

Phase II: GES HVAC Controls (54,662), EHES HVAC (375,000), Transportation HVAC (75,000); Renovation Options (9,495,338)		10,000,000		10,000,000
Phase III: Older school improvements: PMS HVAC Gym (291,258), PMS Heat Pumps Band Room (290,000), Ephesus controls HVAC (100,000); Older school renovation (based on facility study for 5,515,742)			6,197,000	6,197,000

Other Local Revenues Fund

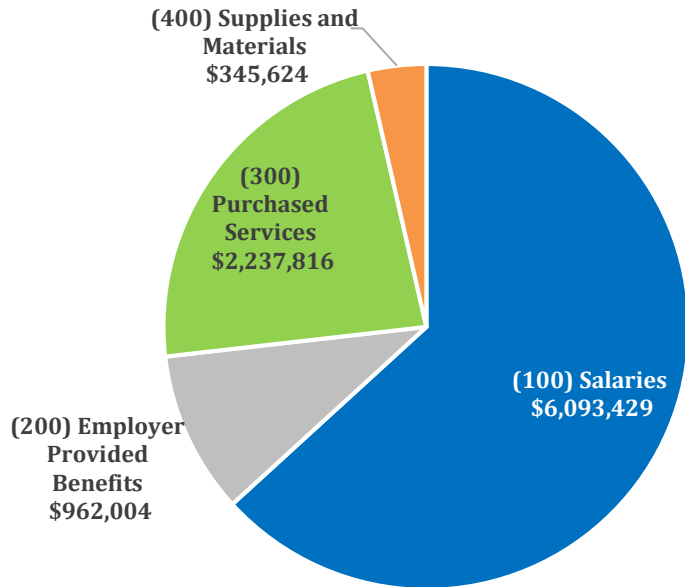
	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
Revenues (by Source)					
Revenues from State Sources	590,012	693,989	6,939,898	693,989	693,989
Revenues from Federal Sources	1,498,402	1,559,182	2,341,376	2,385,958	2,582,865
Revenues from Local Sources	554,226	3,097,715	1,845,633	7,368,427	6,362,019
Transfers in/Fund Balance Appropriated	425,404	139,861	52,087	193,080	-
Total Revenues	3,068,044	5,490,747	11,178,994	10,641,454	9,638,873
Expenditures (by Object)					
(100) Salaries	1,803,928	3,314,018	3,746,102	3,563,979	6,093,429
(200) Employer Provided Benefits	693,295	1,018,940	1,198,449	1,219,441	962,004
(300) Purchased Services	444,317	1,080,354	5,604,213	5,071,947	2,237,816
(400) Supplies and Materials	126,504	77,435	630,230	258,087	345,624
(500) Capital Outlay	-	-	-	-	-
(700) Transfers out	-	-	-	528,000	-
Total Expenditures	3,068,044	5,490,747	11,178,994	10,641,454	9,638,873

	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
Revenues (By Source)					
Revenues from State Sources	590,012	693,989	6,939,898	693,989	693,989
Revenues from Federal Sources	1,498,402	1,559,182	2,341,376	2,385,958	2,582,865
Revenues from Local Sources	554,226	3,097,715	1,845,633	7,368,427	6,362,019
Transfers In/Fund Balance Appropriated	425,404	139,861	52,087	193,080	-
Total Revenues	3,068,044	5,490,747	11,178,994	10,641,454	9,638,873
Expenditures (By Purpose)					
5110-Regular Curricular Services	154,451	342,093	961,173	485,391	842,596
5210-Children W/Disabilities Curricular Se	379,271	287,740	937,851	594,553	320,000
Total 5100 - Regular Instructional Services	533,722	629,833	1,899,024	1,079,944	1,162,596
5230-Pre-K Children W/Disabilities Curricular	-	-	298,481	349,751	349,751
Total 5200 - Special Population Services	-	-	298,481	349,751	349,751
5310-Alternative Instruct Services K-12	-	5,293	-	-	-
5320-Attendance & Social Work Services	-	-	3,874	-	-
5330-Remedial & Suppl K-12 Services	-	48,301	20,664	-	-
5340-Pre-K Readiness/Rem & Suppl	2,392,647	2,516,612	2,210,673	2,386,050	2,582,957
5351-Before/After School Instruction.	4,400	-	-	-	-
5353-Summer School Instruction	-	54,662	492,450	405,930	3,269,065
Total 5300 - Alternative Program Services	2,397,047	2,624,868	2,727,661	2,791,980	5,852,022
5400-School Leadership Services	-	-	750	-	-
5410-School Principal	-	-	-	70	-
Total 5400 - School Leadership Services	-	-	750	70	-
5810-Educational Media Services	-	-	10,375	-	-
5830-Guidance Services	-	-	100,000	160,000	-
5840-Health Services	-	1,419,833	1,276,150	1,278,000	1,278,000
5841-Abc/Stud Health Services	-	-	37,000	37,000	37,000
5850-Safety and Security Support	-	560,616	595,737	570,000	570,000
5870-Staff Development	3,000	-	3,122,910	3,030,975	293,211
Total 5800 - School-Based Services	3,000	1,980,449	5,142,172	5,075,975	2,178,211

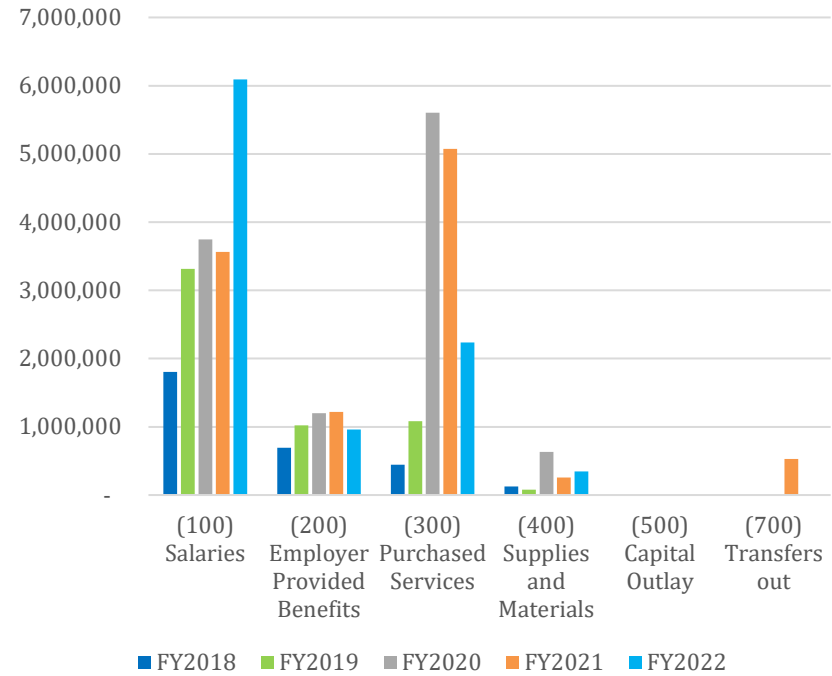
6200-Spec Pop Support/Dev Services	-	12,651	13,300	-	-
Total 6200 - Special Population Support and Development Services	-	12,651	13,300	-	-
6304-Prek Readiness/Remedial Supp	81,760	90,017	95,978	74,146	74,146
Total 6300 - Alternative Programs and Services Support and Development Services	81,760	90,017	95,978	74,146	74,146
6520-Printing and Copying Services	-	-	5,000	-	-
6550-Transportation of Pupils	-	-	10,000	1,747	-
Total 6500 - Operational Support Services	-	-	15,000	1,747	-
6610-Financial Services	-	-	121,000	3,895	-
6621-Human Resources	-	2,267	-	-	-
Total 6600 - Financial and Human Resource Services	-	2,267	121,000	3,895	-
6940-Leadership Services	-	-	601,644	570,444	22,147
6945-Office of Strategic Planning	-	-	5,772	-	-
Total 6900 -Policy, Leadership, And Public Relations Services	-	-	607,416	570,444	22,147
7200-Nutrition Services	-	16,000	183,539	106,127	-
Total 7200 - Nutrition Services	-	16,000	183,539	106,127	-
8100-Pay to Other Governments & Transfers ff Funds	52,515	134,662	74,673	587,375	-
Total 8100 - Payments to Other Governmental Units	52,515	134,662	74,673	587,375	-
Total Expenditures	3,068,044	5,490,747	11,178,994	10,641,454	9,638,873

FY2018-2022 Other Local Revenues Fund Budgeted Expenditure Analysis

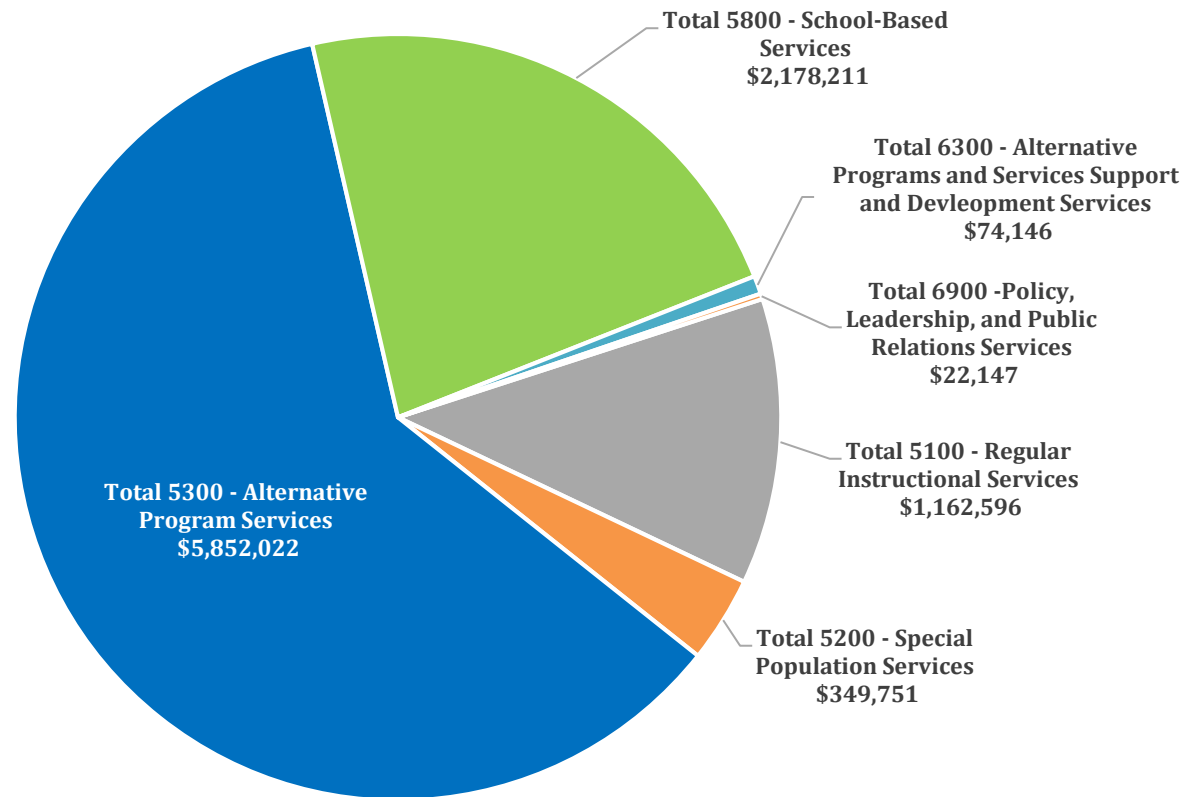
FY2022 Other Local Revenues Fund Expenditures by Object



Five Year Trends by Object



FY2022 Other Local Revneues Fund Expenditures by Purpose



Summary Data for Individual Funds

Actual FY 2018 – Projected FY 2025

Revenues by Source and Expenditures by Object and Purpose (Level Three Data)

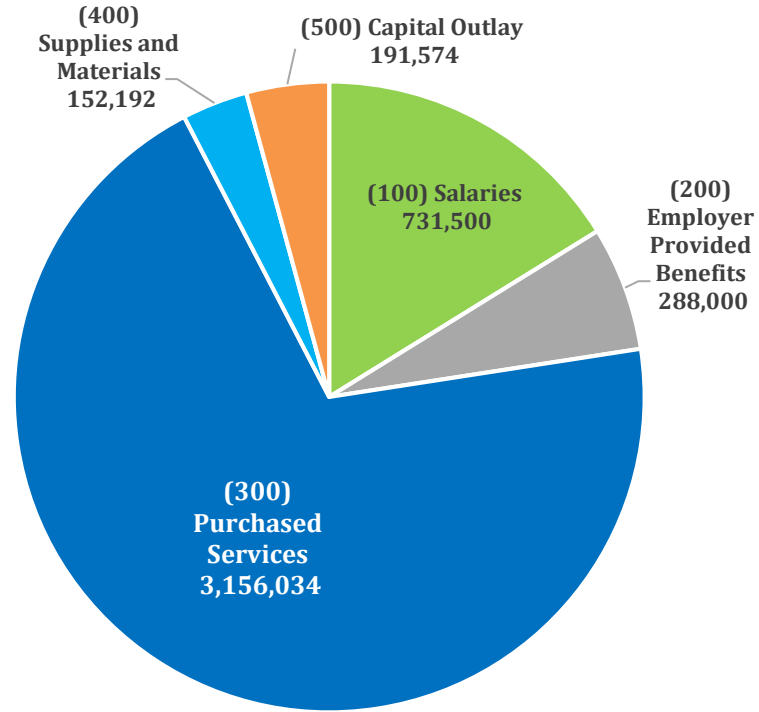
Child Nutrition Fund

	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
Revenues (by Source)					
Revenues from State Sources	-	-	-	-	-
Revenues from Federal Sources	2,406,140	2,125,365	2,552,300	2,552,300	2,552,300
Revenues from Local Sources	1,926,179	2,011,420	1,967,000	1,967,000	1,967,000
Transfers in/Fund Balance Appropriated	225,000	225,000	225,000	332,665	-
Total Revenues	4,557,319	4,361,785	4,744,300	4,851,965	4,519,300
Expenditures (by Object)					
(100) Salaries	775,732	590,322	731,500	731,500	731,500
(200) Employer Provided Benefits	339,798	283,718	288,000	288,000	288,000
(300) Purchased Services	3,343,594	3,261,332	3,538,700	3,488,700	3,156,034
(400) Supplies and Materials	91,900	124,318	93,100	152,191	152,192
(500) Capital Outlay	6,295	102,095	93,000	191,574	191,574
(700) Transfers out	-	-	-	-	-
Total Expenditures	4,557,319	4,361,785	4,744,300	4,851,965	4,519,300

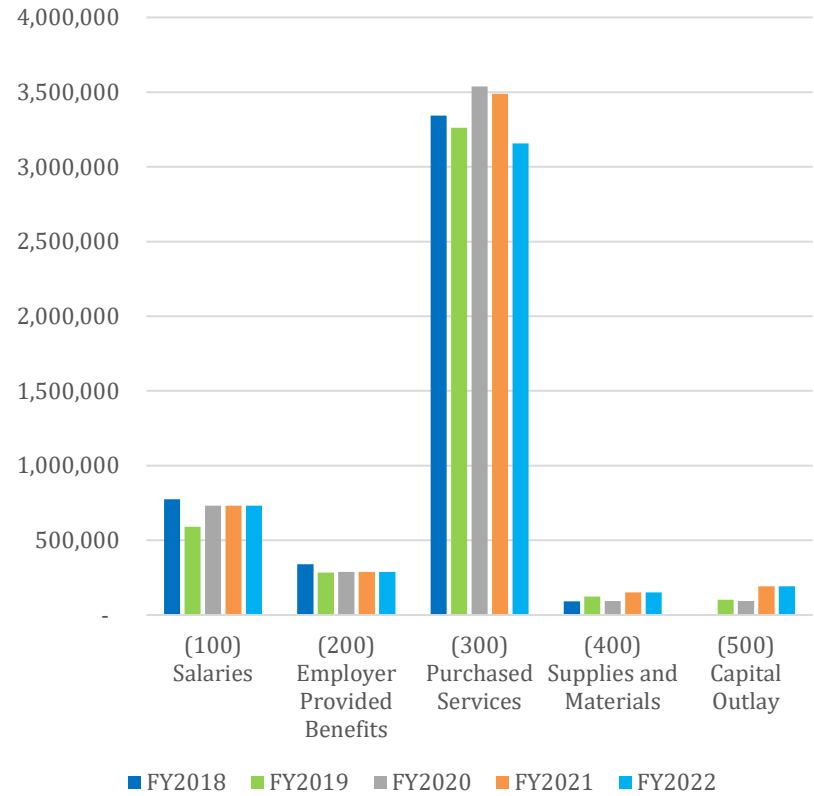
	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
Revenues (by Source)					
Revenues from State Sources	-	-	-	-	-
Revenues from Federal Sources	2,406,140	2,125,365	2,552,300	2,552,300	2,552,300
Revenues from Local Sources	1,926,179	2,011,420	1,967,000	1,967,000	1,967,000
Transfers in/Fund Balance Appropriated	225,000	225,000	225,000	332,665	-
Total Revenues	4,557,319	4,361,785	4,744,300	4,851,965	4,519,300
Expenditures (by Purpose)					
7200-Nutrition Services	4,248,619	4,218,865	4,541,000	4,648,665	4,316,000
Total 7200 - Nutrition Services	4,248,619	4,218,865	4,541,000	4,648,665	4,316,000
8100-Pay to Other Governments & Transfers of Funds	308,700	142,920	203,300	203,300	203,300
Total 8100 - Payments to Other Governmental Units	308,700	142,920	203,300	203,300	203,300
Total Expenditures	4,557,319	4,361,785	4,744,300	4,851,965	4,519,300

FY2018-2022 Child Nutrition Budgeted Expenditure Analysis

FY2022 Child Nutrition Expenditures by Object



Five Year Trends By Object



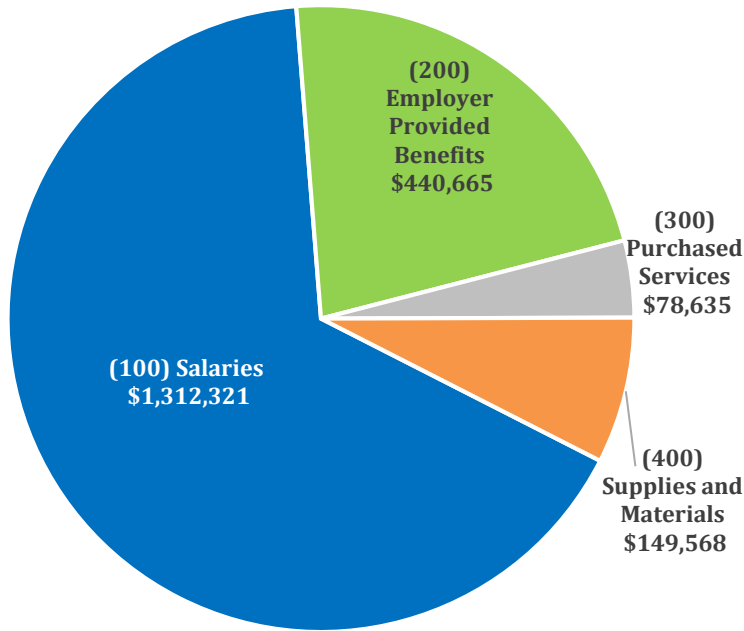
Community Schools Fund

	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
Revenues (by Source)					
Revenues from State Sources					
Revenues from Federal Sources					
Revenues from Local Sources	1,877,275	2,030,835	1,931,189	1,931,189	1,931,189
Transfers in/Fund Balance Appropriated	250,000	200,000	50,000	50,000	50,000
Total Revenues	2,127,275	2,230,835	1,981,189	1,981,189	1,981,189
Expenditures (by Object)					
(100) Salaries	1,328,158	1,373,557	1,312,321	1,312,321	1,312,321
(200) Employer Provided Benefits	286,740	399,037	440,665	440,665	440,665
(300) Purchased Services	131,757	68,024	78,635	78,635	78,635
(400) Supplies and Materials	179,620	190,217	149,568	149,568	149,568
(500) Capital Outlay	1,000	-	-	-	-
(700) Transfers out	200,000	200,000	-	-	-
Total Expenditures	2,127,275	2,230,835	1,981,189	1,981,189	1,981,189

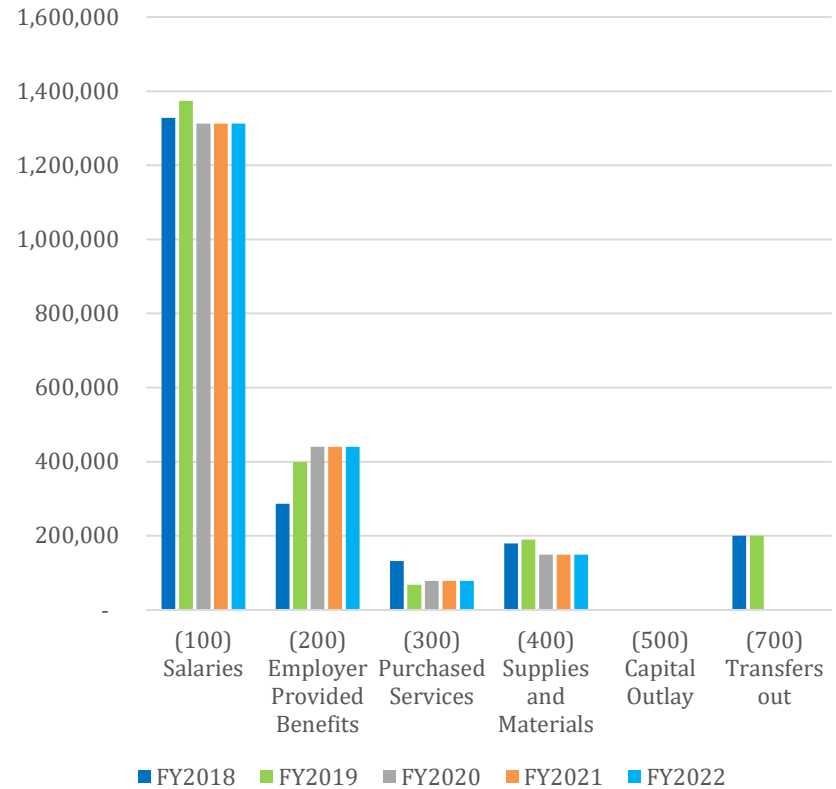
	Adopted FY 2018	Adopted FY 2019	Adopted FY 2020	Adopted FY 2021	Budgeted FY 2022
Revenues (by Source)					
Revenues from State Sources					
Revenues from Federal Sources					
Revenues from Local Sources	1,877,275	2,030,835	1,931,189	1,931,189	1,931,189
Transfers in/Fund Balance Appropriated	250,000	200,000	50,000	50,000	50,000
Total Revenues	2,127,275	2,230,835	1,981,189	1,981,189	1,981,189
Expenditures (by Purpose)					
7100-Nutrition Services	1,927,275	2,030,835	1,981,189	1,981,189	1,981,189
Total 7200 - Nutrition Services	1,927,275	2,030,835	1,981,189	1,981,189	1,981,189
8100-Pay to Other Governments & Transfers of Funds	200,000	200,000	-	-	-
Total 8100 - Payments to Other Governmental Units	200,000	200,000	-	-	-
Total Expenditures	2,127,275	2,230,835	1,981,189	1,981,189	1,981,189

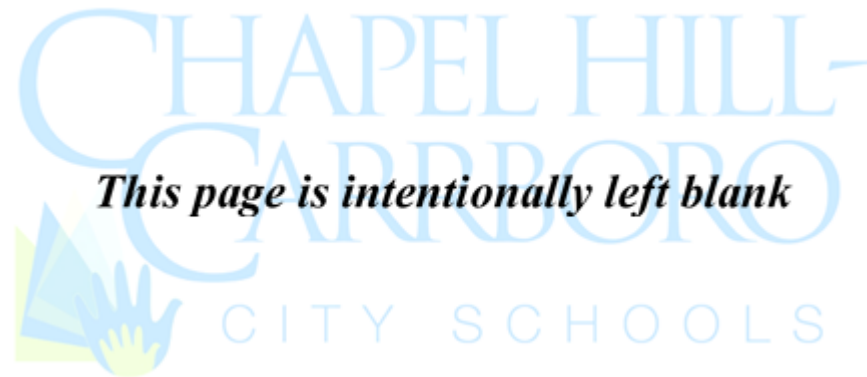
FY2018-2022 Community Schools Budgeted Expenditure Analysis

FY2022 Community Schools Expenditures by Object



Five Year Trends by Object





INFORMATIONAL SECTION



Chapel Hill – Carrboro City Schools
750 S Merritt Mill Road, Chapel Hill, NC 27516
Web Site: chccs.org
Prepared by the Business and Financial Services Division
(919) 967-8211

Roadmap to the Informational Section

The Informational Section of this budget document provides even deeper statistical information that supplements and indirectly shapes the overall budget for the district. First is an analysis of the tax base, rates, and effects on the average tax payer in Orange County. The taxes collected by Orange County are the base of the funding in the District’s Local Operating Budget. Next is an analysis of the District’s student enrollments. These trends shape many aspects of the budget that are allocated per pupil, based on the enrollment levels. Following that are several tables outlining personnel, relevant bond information, and District performance measures. These are all important supplemental information pieces about how the District operates efficiently and the student outcomes that are produced. The final part of the section is a glossary of acronyms and terms that were used throughout the document.

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Assessed Value of Taxable Property (Historical)

Real property taxes are levied on the assessed value of real estate owned by businesses, individuals, and public service corporations. Personal property taxes are levied on the assessed market value of tangible property such as vehicles, mobile homes, heavy equipment, machinery, and tools. Real property tax assessments are conducted by the County Assessor, while personal property assessments are conducted by the Commissioner of the Revenue. Both real and personal property taxes are levied on 100% of assessed market value. Rates are established per \$100 of assessed value. The total tax base and tax rates for Orange County over the last 10 fiscal years are summarized below:

Fiscal Year	Real Property	Personal Property	Public-Service Companies	Less Tax-Exempt Property	Total Assessed Value	Direct Tax Rate	Estimated Actual Market Value	Assessed Value as % of Actual Value
2020	\$16,974,899,491	\$1,726,673,593	\$337,564,917	\$82,646,419	\$18,956,491,582	0.868	\$21,116,733,410	89.77%
2019	16,603,198,106	1,821,061,820	337,735,426	80,381,765	18,681,613,587	0.850	20,299,482,328	92.03%
2018	16,385,248,774	1,711,150,366	315,583,138	81,081,408	18,330,900,870	0.838	19,247,060,972	95.24%
2017	15,168,750,327	1,620,578,558	306,434,830	71,244,631	17,024,519,084	0.878	19,932,700,016	85.41%
2016	15,020,157,254	1,442,897,338	382,744,805	67,617,005	16,778,182,392	0.878	19,676,536,170	85.27%
2015	14,863,350,430	1,461,891,252	244,191,811	67,500,359	16,501,933,134	0.878	19,323,118,424	85.40%
2014	14,734,501,833	1,724,462,428	239,923,242	66,527,135	16,632,360,368	0.858	19,398,362,762	85.74%
2013	14,630,730,056	1,274,117,983	235,565,073	64,439,641	16,075,973,471	0.858	18,896,681,052	85.07%
2012	14,509,087,828	1,217,661,746	234,219,001	61,832,450	15,899,136,125	0.858	18,726,408,865	84.90%
2011	14,349,991,992	1,173,260,442	228,934,751	92,197,005	15,659,990,180	0.858	18,269,667,186	85.72%

*Source: Chapel Hill – Carrboro City Schools Comprehensive Annual Report for the Fiscal Year 2019-20

Assessed Value of Taxable Property (Analysis and Projection)

The FY 2020-21 Orange County Commissioner Approved Annual Operating Budget states, "...the current tax rate of \$0.8679 cents per \$100 of value is maintained, delaying a projected 1.63 cent tax rate increase to accommodate growth in debt service. Within the next five years, Orange County's debt service is expected to peak in FY2023-24 at \$42.7 million which may necessitate future tax rate increases. If the tax rate were adjusted to pay the new debt, a rate increase would be projected in FY2021-22 and FY2022-23 with an increase of 5.26 cents over the two-year period." Due to uncertainty in whether or not the county will fully adjust the tax rate to pay the new debt, the District used a more conservative estimate than the 5.26 cents over the next two years. However, it did include the 1.63 cent tax rate that had previously been delayed.

Fiscal Year	Total Assessed Value	Estimated Actual	
		Market Value	Total Direct Tax Rate
2016	16,778,182,392	19,676,536,170	0.878
2017	17,024,519,084	19,932,700,016	0.878
2018	18,330,900,870	19,247,060,972	0.838
2019	18,681,613,587	20,299,482,328	0.850
2020	18,956,491,582	21,116,733,410	0.868
2021*	19,296,242,205	21,550,415,686	0.868
2022**	20,051,684,548	22,394,108,273	0.884
2023**	20,554,248,244	22,955,381,108	0.888
2024**	20,868,533,544	23,306,380,996	0.884
2025**	21,383,133,496	23,881,096,154	0.882

*Source: Orange County FY 2020-21 Commissioner Approved Annual Operating Budget

**District Projections made based on the estimates in the FY 2020-21 Orange County Commissioner's Approved Budget

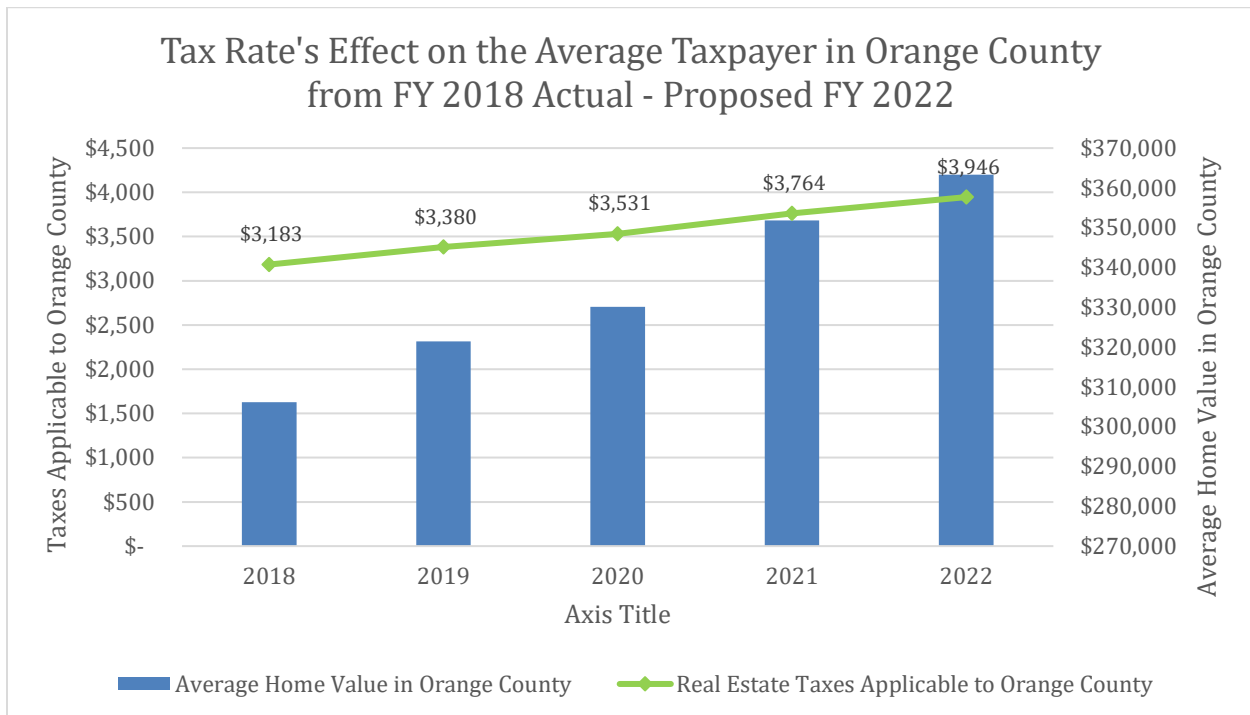


Tax Rate’s Effect on the Average Taxpayer

Provided below is the historical and projected impact of the total direct tax rate levied by Orange County each fiscal year on the average home owner based upon the average home value according to the Zillow Home Value Index (ZHVI) included in their available housing data. According to the North Carolina Department of Revenue (NCDOR), to properly calculate the tax bill on a property, “Multiply the applicable county and municipal/district combined tax rate to the county tax appraisal of the property.” Assuming the average county tax appraisal is similar to the ZHVI, the effects of the historical and projected tax rates on the average taxpayer are as follows:

	Historical Values (Actuals)			Current Year	Proposed Year
	2018	2019	2020	2021	2022
Average Home Value	\$ 306,160	\$ 321,398	\$ 330,085	\$ 351,800	\$ 363,344
Chapel Hill - Carrboro City Schools Special District Tax	0.202	0.202	0.202	0.202	0.202
Total Direct Tax Rate (per \$100)	0.838	0.850	0.868	0.868	0.884
Real Estate Taxes Applicable to Orange County	\$ 3,183	\$ 3,380	\$ 3,531	\$ 3,764	\$ 3,946
Dollar Increase		\$ 197	\$ 151	\$ 232	\$ 182
Percent Increase		6.19%	4.46%	6.58%	4.85%

*Source: Zillow Home Value Index (ZHVI)



Source: Zillow Home Value Index (ZHVI)

Property Tax Rates and Collections in Orange County

Current Taxes – These taxes are the major revenue source in the General Fund comprising about 65 percent of the total General Fund revenue. Taxes in this category reflect all taxable property valued as of January 2020. Revenues generated by current taxes are based on a tax rate of 86.79 cents per \$100 assessed valuation. This tax rate represents the same rate as in FY 2019-20. The County’s budgeted real property tax base is projected to be \$17.2 billion for the 2020-21 fiscal year. The other components of the County’s tax base include Motor Vehicles (budgeted valuation of \$1.29 billion); personal property (budgeted valuation of \$460 million); Utilities and Corporate Excess (budgeted valuation of \$352 million).

Delinquent Taxes – Taxes in this category include amounts of unpaid collectible property taxes from prior years. The estimate is based on the outstanding levy for prior year taxes at a collection rate consistent with past performance.

Interest on Delinquent Taxes – These revenues are related to the interest charges established by State Statutes on unpaid property taxes. Interest begins on taxes due as of January 6 at an interest rate of two percent for the first month and for each month that taxes are due, but not paid, the interest rate equals three fourths of one percent/each month.

Late List Penalties – These are penalties assessed by the Tax Assessor for property not listed by the January 31 deadline. The penalty is 10 percent of the amount of taxes due.

Animal Taxes – The Animal Control program, through its animal licensing program, generates these revenues. Dog and cat owners in Orange County are required to obtain licenses for their pets. For FY 2020-21, the fee remains at \$10.00 for sterilized pets and \$30.00 for un-sterilized pets. Owners of guide/assistance dogs and owners over 62 years of age whose animals have been spayed/neutered are exempt from this fee.

Tax rate trends were presented with the assessed value of taxable property analysis. The proposed revenue estimates are based on the District’s projections of the total direct tax rate. Below is a table of Orange County Revenues from FY 2018 through the proposed year:

	Historical (Actuals)			Current Year	Proposed
	FY 2018	FY 2019	FY 2020	FY 2021 Adopted	FY 2022 Proposed
Property Taxes	\$ 154,445,632	\$ 159,373,861	\$ 165,522,488	\$ 167,694,880	\$176,101,891
Sales Tax	23,423,775	24,959,307	24,064,919	23,827,353	24,064,919
Licenses and Permits	303,986	288,988	277,500	274,550	275,000
Intergovernmental	17,721,781	18,129,781	17,582,636	17,710,005	17,710,005
Charges for Services	13,056,647	13,120,877	13,214,068	12,645,090	13,214,068
Investment Earnings	800,469	1,158,576	875,000	515,000	515,000
Miscellaneous	4,422,024	4,630,134	3,778,684	2,624,009	3,000,000
Transfers from Other Funds	3,658,829	1,802,607	5,132,262	5,486,817	5,486,817
Other Financing Sources	30,536,465	-	-	-	-
Appropriated Fund Balance	-	-	-	8,268,603	-
Total Revenue	\$ 248,369,608	\$ 223,464,130	\$ 230,447,557	\$ 239,046,307	\$240,367,700

Source: Orange County FY 2020-21 Commissioner Approved Annual Operating Budget

Alternative Tax Collections in Orange County

Article 39 One Cent – This is the original 1 percent local option sales tax levied by the County, and is collected and distributed by the State based on local retail sales.

Article 40 Half-Cent (1st Half Cent) – Enacted by the County in late 1984, the State collects this revenue and returns it to local governments on a per capita basis. This revenue source is earmarked for both County and School capital projects and debt service.

Article 42 Half-Cent (Additional Half Cent) – The tax in this category is similar to the first half cent tax. The General Assembly authorized it in 1986. As with the Article 40 Sales tax, this tax is used to finance school and County capital projects, including debt service payment. There was a change in calculating Article 42 proceeds from a per capita to a point of sale formula during FY 2010-11.

Article 44 Half Cent (Third Half Cent) – Authorized by the General Assembly effective December 1, 2002, this tax replaced the reimbursements the State withheld from counties and cities, beginning in FY 2001-02. In FY 2007-08, the General Assembly enacted the Medicaid Relief/Sales Tax Swap (House Bill 1473), which phased out the County’s share of Medicaid expenditures over a three-year period, from FY 2007-08 through FY 2009-10. In exchange, the County ceded Article 44 sales tax to the State beginning October 1, 2009.

Article 46 One-Quarter Cent – The Article 46 One-Quarter Cent (1/4 cent) County Sales and Use Tax was approved by Orange County voters in the November 2011 election, and became effective April 1, 2012. A Special Revenue Fund, outside of the General Fund, has been established to receive and account for the One-Quarter Cent (1/4 cent) Sales and Use Tax proceeds.

The table below shows historical values, the current year adopted values, and the proposed year values. Due to the pandemic, Orange county reduced their sales tax revenue in the current year. The District is projecting a return to similar levels as FY 2020, however this is very difficult to predict in uncertain times such as the pandemic.

	<i>Historical (Actuals)</i>			<i>Current Year</i>	<i>Proposed*</i>
	FY 2018	FY 2019	FY 2020	FY 2021 Adopted	FY 2022 Proposed
Article 39 One Cent	\$ 10,563,292	\$ 11,251,490	\$ 11,535,110	\$ 10,612,301	\$ 11,535,110
Article 40 Half Cent	7,387,872	7,880,950	8,067,555	7,704,515	8,067,555
Article 42 Half Cent	5,284,062	5,629,399	5,770,196	5,510,537	5,770,196
Article 44 Half Cent	188,549	197,469	-	-	-
Sales Tax Total	\$ 23,423,775	\$ 24,959,307	\$ 25,372,861	\$ 23,827,353	\$ 25,372,861

**The District anticipates a return to spending levels similar to pre-pandemic times
Source: Orange County FY 2020-21 Commissioner Approved Annual Operating Budget*

Student Enrollment Analysis

In the District, the budget process begins with an analysis of the upcoming student enrollment because of the many effects it has on funding and allotments. Many funding sources are allotted based on a per pupil count for the district, therefore a significant change in the student population can have a significant change on the budget available in a given year. Projecting beyond just the upcoming year allows the District to be forward-thinking in its preparation and mitigates some of the possibility of surprise changes in funding.

The methodology is important to consider because projections will always be subject to error and cannot account for unexpected or “black-swan” events, such as a global pandemic. However, utilizing the right methods can reveal important trends and provide rough estimates with an acceptable margin for error. The District has utilized a modified cohort survival method based on the previous five years of actual enrollments.

Cohort Survival Methodology

The cohort survival technique is a statistical forecasting method that uses historical data to compute a survival rate for selected cohorts and applies them to project progression into higher cohorts as time progresses. The District applied this using each grade level as a separate cohort.

A ratio is computed for each grade by dividing the enrollment in that grade by the previous grade from the previous school year. A projection for the following school year of a particular grade is computed by multiplying the enrollment in the previous grade by the ratio of this school year’s current enrollment at said grade and the previous school year’s enrollment in the previous grade. For example, to project a second-grade enrollment of year 1 (next school year), the second-grade enrollment of year 0 (current school year) would be divided by the first-grade enrollment for year -1 (prior school year). The subsequent ratio is then multiplied by the current first grade enrollment to obtain a projection for the upcoming year’s second grade enrollment.

The District has modified this technique slightly by calculating the ratios as an average of five years of data. Instead of calculating just one year to find the survival rate of a cohort, we calculated five years of ratios for each grade level and then applied that average ratio to future years to get a projection. Using more historical data protects the model from an odd year skewing the data and provides a higher probability that the projected ratio is closer to the actual survival rate in future years.

Kindergarten rates are more difficult to project because there is no cohort below it to calculate a survival rate. The District analyzed the trends in Resident Birth data for Orange County 4-5 years prior to help project kindergarten enrollment in a given year. There are many other demographic and economic factors that can affect Kindergarten enrollment in a given year, however it is difficult to monitor all of these. Birth Data has proven to be an effective tool in forecasting Kindergarten enrollments so that is the District’s most efficient way to forecast this data.

The methodology begins with gathering the historical data. Several years of enrollment actuals are provided in the table below:

Historical Enrollment Counts

Grade	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
KIND	868	850	876	827	858	848
1st	939	873	891	897	824	854
2nd	923	973	898	902	917	822
3rd	931	929	1010	933	909	935
4th	949	949	948	1,013	957	942
5th	932	920	955	956	1,002	955
6th	949	900	945	974	993	1,002
7th	970	958	902	961	988	1,021
8th	940	987	980	899	956	999
9th	984	1019	1059	1,079	993	1,008
10th	913	912	976	1,025	1,049	991
11th	877	836	860	923	933	996
12th	901	859	813	850	917	897
Total	12,076	11965	12113	12,239	12,296	12,270

Source: NCDPI's Statistical Profile

This historical data was used to calculate five years of cohort survival ratios. Historical resident birth rate showed trends used to project Kindergarten enrollments. These data points are provided in the tables below:

Cohort Survival Ratios

Grade	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Average
1st	1.01	1.05	1.02	1.00	1.00	1.01
2nd	1.04	1.03	1.01	1.02	1.00	1.02
3rd	1.01	1.04	1.04	1.01	1.02	1.02
4th	1.02	1.02	1.00	1.03	1.04	1.02
5th	0.97	1.01	1.01	0.99	1.00	0.99
6th	0.97	1.03	1.02	1.04	1.00	1.01
7th	1.01	1.00	1.02	1.01	1.03	1.01
8th	1.02	1.02	1.00	0.99	1.01	1.01
9th	1.08	1.07	1.10	1.10	1.05	1.08
10th	0.93	0.96	0.97	0.97	1.00	0.96
11th	0.92	0.94	0.95	0.91	0.95	0.93
12th	0.98	0.97	0.99	0.99	0.96	0.98

Historical Resident Birth Rates and Counts in Orange County.

	2014	2015	2016	2017	2018	2019
Resident Birth Rate	8.7	8.5	8.3	8.1	7.8	N/A
Resident Births	1,215	1,207	1,166	1,179	1,134	1,164

Source: North Carolina Vital Statistics, Volume 1 – 2014-2019

The projections produced by each of these calculations are provided in the table below:

Projected Enrollment Counts

Grade	FY 2021 Adopted	FY 2022 Proposed*	FY 2023 Projected*	FY 2024 Projected*	FY 2025 Projected*
KIND	851	860	851	868	855
1st	866	863	871	863	880
2nd	874	883	880	888	880
3rd	842	893	902	899	908
4th	951	860	912	921	918
5th	923	946	855	907	916
6th	1,024	932	955	863	916
7th	1,022	1,039	946	969	876
8th	1,026	1,031	1048	954	977
9th	1,002	1,112	1117	1,135	1,033
10th	997	966	1072	1,077	1,095
11th	996	930	902	1,000	1,005
12th	905	975	911	883	979
Total	12,279	12,289	12,221	12,228	12,238

**Projections based on a modified cohort survival method*

Personnel Resource Allocations

Year Ended June 30	Historical (Actuals)**			Current Year	Proposed Year
	2018	2019	2020	Estimated 2021	Proposed 2022
Officials, Admins, Managers	31	33	32	32	36*
Principals	20	20	21	20	20
Asst. Principals, Non-Teaching	<u>24</u>	<u>25</u>	<u>24</u>	<u>26</u>	<u>26</u>
Total Administrators	<u>75</u>	<u>78</u>	<u>77</u>	<u>78</u>	<u>82</u>
Elementary Teachers	385	384	379	378	378
Secondary Teachers	159	165	170	175	175
Other Teachers	<u>367</u>	<u>376</u>	<u>378</u>	<u>368</u>	<u>368</u>
Total Teachers	<u>911</u>	<u>925</u>	<u>927</u>	<u>921</u>	<u>921</u>
Guidance	43	43	41	43	43
Psychological	10	10	7	9	9
Librarian, Audiovisual	36	36	36	36	36
Consultant, Supervisor	14	13	13	13	13
Other Professionals	<u>172</u>	<u>166</u>	<u>171</u>	<u>173</u>	<u>181*</u>
Total School-Based Support	<u>275</u>	<u>268</u>	<u>268</u>	<u>274</u>	<u>282</u>
Total Professionals	<u>1,261</u>	<u>1,271</u>	<u>1,272</u>	<u>1,273</u>	<u>1,285</u>
Teacher Assistants	336	334	319	312	312
Technicians	12	16	17	21	21
Clerical, Secretarial	112	110	109	113	113
Service Workers	91	83	87	82	82
Skilled Crafts	<u>24</u>	<u>29</u>	<u>30</u>	<u>28</u>	<u>28</u>
Totals	<u>1,836</u>	<u>1,843</u>	<u>1,834</u>	<u>1,829</u>	<u>1,841</u>

*Reflects the proposed Expansion request items, if they were to be approved and adopted

**Source: FY 2020 CHCCS Comprehensive Annual Financial Report

Outstanding Bond Issues and Bond Amortization Schedules

Date of Issue	Description	Original Issue Amount	% of Original Issue for School Projects	Principal	Interest	Total
1. General Obligation Bonds and Alternative Financing to be Paid from Dedicated Property Tax						
November 2011	Refunding Series 2011	\$ 24,440,000	56.80%	\$ 3,134,953	\$ 275,192	\$ 3,410,145
November 2012	Refunding Series 2012	13,300,000	88.00%	-	226,883	226,883
Spring 2017	GO Bonds Series 2017	29,400,000	91.50%	1,345,000	879,369	2,224,369
Spring 2018	GO School Bonds 2018	64,400,000	100.00%	-	2,563,770	2,563,770
Spring 2020	GO School Bonds 2020	2,060,000	100.00%	-	507,735	507,735
Total General Obligation Bonds Debt		\$ 133,600,000		\$ 4,479,953	\$ 4,452,949	\$ 8,932,902
2. Non-General Obligation Debt Service						
Spring 2010	Spring 2010 Alternative Financing Package (Qualified School Construction Bonds)	\$ 4,136,434	100.00%	\$ 275,762	\$ 22,475	\$ 298,237
January-11	Winter 2011 (Qualified School Construction Bonds)	9,889,439	100%	659,296	214,007	873,303
September-11	Limited Obligation, Series 2011	38,305,000	56.60%	1,243,208	93,636	1,336,844
April-12	Limited Obligation Refunding, Series 2012	58,980,000	32.10%	1,393,956	166,982	1,560,938
January-14	Installment Financing	10,589,000	74.50%	336,081	73,073	409,154
June-15	Limited Obligation, Series 2015	15,836,703	0.00%	-	-	-
June-15	COPS, Refunding, Series 2015	4,273,297	49.70%	-	56,952	56,952
Spring 2017	2017 Installment Financing - Short Term and Long Term Financing	10,110,000	0.00%	-	-	-
Spring 2017	2017 Refunding LOBs	27,120,000	83.50%	580,000	900,886	1,480,886
Spring 2018	2018 LOBs	7,510,000	8.10%	45,000	39,750	84,750
Spring 2019	2019A LOBs	14,135,000	35.20%	245,000	219,275	464,275
Fall 2019	2019B LOBs	18,927,390	44.40%	2,270,999	364,532	2,635,531
Spring 2020	2020 LOBs	40,490,231	17.00%	-	163,785	163,785
Total Non-General Obligation Debt Service		\$ 260,302,494		\$ 7,049,302	\$ 2,315,353	\$ 9,364,655
Total General Fund Debt Service Obligations		\$ 393,902,494		\$ 11,529,255	\$ 6,768,302	\$ 18,297,557

Source: Orange County FY 2020-21 Commissioner Approved Annual Operating Budget

Performance Measures

Year Ended June 30	Teaching Staff	Average Daily Membership	Pupil/Teacher Ratio	Student Attendance Percentage	Students Receiving Free/Reduced Lunch Percentage
2020	927	12,270	1:13	96.75%	23.83%
2019	925	12,296	1:13	95.40%	25.60%
2018	911	12,239	1:13	95.69%	27.45%
2017	900	12,113	1:13	95.62%	23.98%
2016	917	11,965	1:13	95.98%	25.00%

Source: FY 2020 CHCCS Comprehensive Annual Financial Report

Student Groups	State of North Carolina Cohort Graduation Rates 2019 - 2020	Chapel Hill-Carrboro Schools Cohort Graduation Rates 2019-2020
All Students	87.6	92.8
Female	90.4	>95
Male	84.9	89.7
Asian	94.4	92.3
Black	85.2	88.0
Hispanic	81.7	82.9
Two or More Races	85.3	>95
White	90.8	>95
Economically Disadvantaged	82.3	84.0
English Learner	71.4	70.2
Students with Disabilities	72.1	84.2
Academically or Intellectually Gifted	>95	>95
Homeless	72.3	58.3
Not Economically Disadvantaged	90.5	>95
Not a Student with Disabilities	89.8	93.8

Source: NCDPI 2019-2020 Cohort Graduation Rate Reports

High School Dropout Counts and Rates, 2015-2016 through 2019-2020

LEA Code	LEA or Charter School	2015-16		2016-17		2017-18		2018-19		2019-20*	
		#	Rate	#	Rate	#	Rate	#	Rate	#	Rate
681	Chapel Hill-Carrboro	31	0.84	29	0.77	27	0.69	38	0.96	25	0.63

Source: NCDPI Discipline, ALP, and Dropout Annual Reports

*While the data reported covers the full 2019-2020 academic year, caution should be taken when making comparisons to previous years. After the March 16th, 2020 school closure, there were significant reductions in the number of incidents of Crime and Violence, Suspensions, Alternative Learning Placements and withdraw dates for verified dropouts when compared to the same time frame in the prior school years

2018					
School System & School	# Tested	% Tested	Total	ERW	Math
United States (Public School Students)	1,793,522	N/A	1049	529	520
North Carolina (Public School Students)	48,535	46.8	1090	550	540
Chapel Hill - Carrboro City Schools	582	68.5	1260	630	630
Carrboro High	100	54.6	1228	618	610
Chapel Hill High	236	73.3	1243	624	619
East Chapel Hill High	245	73.6	1290	641	649
Phoenix Academy High	<10	*	*	*	*

2019					
School System & School	# Tested	% Tested	Total	ERW	Math
United States (Public School Students)	1,859,215	100.0	1039	524	515
North Carolina (Public School Students)	47,842	45.7	1091	549	542
Chapel Hill - Carrboro City Schools	639	69.7	1287	643	644
Carrboro High	112	55.4	1290	651	639
Chapel Hill High	260	71.4	1272	636	635
East Chapel Hill High	267	77.8	1301	647	655
Phoenix Academy High	<10	*	*	*	*

2020					
School System & School	# Tested	% Tested	Total	ERW	Math
United States (Public School Students)	1,849,197	100.0	1030	520	510
North Carolina (Public School Students)	44,282	42.6	1089	548	540
Chapel Hill - Carrboro City Schools	588	65.6	1270	638	632
Carrboro High	109	56.5	1285	648	638
Chapel Hill High	239	67.5	1264	637	627
East Chapel Hill High	239	69.3	1270	635	635
Phoenix Academy High	<10	*	*	*	*

Acronyms Index

ABC – Alcoholic Beverage Control Commission	FY – Fiscal Year
AD – Athletic Director	GAAP – Generally Accepted Accounting Principals
ADA – Americans with Disabilities Act	GS – General Statute
ADM - Average Daily Membership	HR – Human Resources
AIG – Academically/Intellectually Gifted	ITF – Instructional Tech Facilitator
ALP – Alternative Learning Program	LEA – Local Education Agency
AP – Assistant Principal	LEP – Limited English Proficiency
ARC – American Reading Company	MOE – Months of Employment
ASBO – Association of School Business Officials	NCDHHS – North Carolina Department of Health and Human Services
AT – Athletic Trainer	NCDOR – North Carolina Department of Revenue
AVID – Advancement Via Individual Determination	NCDPI – North Carolina Department of Public Instruction
BOE – Board of Education	NCVPS – North Carolina Virtual Public School
CBT – Cognitive Behavior Therapy	PBIS – Positive Behavioral Interventions and Supports
CDC – Centers for Disease Control	PE – Physical Education
CIP – Capital Investment Plan	PRC – Program Report Code
CN – Child Nutrition	PSAT – Preliminary SAT
COA – Chart of Accounts	SEL – Social and Emotional Learning
COPS – Certificate of Participation	SGC – School Governance Council
CTE – Career Technical Education	SIT – School Improvement Team
DBT – Dialectical Behavior Therapy	SPSF – State Public School Fund
DL – Dual Language	TA – Teacher Assistant
EL – English Learners	TBD – To Be Determined
ELA – English Language Arts	USDA – United States Department of Agriculture
ERP – Enterprise Resource Planning	ZHVI – Zillow Home Value Index
ERW – Evidence-Based Reading and Writing	
FICA – Federal Insurance Contributions Act	
FTE – Full Time Equivalent	

Glossary of Terms

Accounts Payable - A short-term liability account reflecting amounts owed to private persons or organizations for goods and services received by a government.

Accounts Receivable - An asset account reflecting amounts due from private persons or organizations for goods and services furnished by a government (but not including amounts due from other funds or other governments).

Accrual Basis - The recording of the financial effects on a government of transactions, events, and circumstances that have cash consequences for the government in the periods in which those transactions, events, and circumstances occur; rather than only in the periods in which cash is received or paid by the government.

Allocation - The amount of funding appropriated to a school. Types of allocations include the per pupil allocation for instructional supplies, postage, library books, staff development, computer supplies, etc.

American with Disabilities Act (ADA) - Prohibits discrimination against individuals with disabilities and requires employers to provide reasonable accommodations to help those with disabilities in performing their jobs. An individual with a disability is defined by the ADA as a person with a serious physical or mental impairment that substantially limits a major life activity.

Amortization - (1) The portion of the cost of a limited-life or intangible asset charged as an expense during a particular period. (2) The reduction of debt by regular payments of principal and interest sufficient to retire the debt by maturity.

Appropriation - An authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amounts and as to the time when it may be expended.

Average Daily Membership (ADM) - The aggregate membership of a school division divided by the number of days school is in session. ADM is a factor in the state funding formula.

Balance Sheet - A summarized statement, as of a given date, of the financial position of an entity by fund type presenting assets, liabilities, reserves, and fund balance.

Balanced Budget - A balanced budget is when there is neither a budget deficit nor a budget surplus. Total revenues equal total expenditures.

Basis of Accounting - A term used to refer to when revenues, expenditures, expenses, and transfers—and the related assets and liabilities—are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the nature of the measurement, on either the cash or the accrual method.

Bond - A written promise to pay a specific amount of money (face value) and interest over a specific period of time.

Budget - A plan of financial operation embodying an estimate of proposed expenditures for a given period or purpose and the proposed financing sources.

Budgetary Control - The control or management of a government or enterprise in accordance with an approved budget to keep expenditures within the limitations of available appropriations and available revenues.

Capital Budget - A plan of proposed capital outlays and the means of financing them for the current fiscal period.

Capital Outlay and Capital Acquisition - All expenditures for equipment, equity leases, purchases of land which result in acquisition of, or additions to, fixed assets, except outlays for Capital Construction. Capital Outlay includes the purchase of assets, both replacement and/or additions that cost more than \$5,000, with a useful life of at least one year.

Capital Improvement Plan - The ten-year plan for school construction projects.

Capital Projects Funds - A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Contracted Services - All expenditures for services acquired or purchased from sources outside the school system (i.e., private vendors, public authorities or other governmental entities). Purchase of the service must be on a fee basis or fixed time contract basis. Payments for leases and rentals, utilities, communications, and insurance are not included.

Debt Service (Lease Purchase) - All expenditures related to the repayment of debt, for example, vehicles purchased through lease agreements.

Every Student Succeeds Act (ESSA) - Federal legislation passed in December 2015 that replaced the No Child Left Behind Act (NCLB) and governs the United States K-12 public education policy.

Expenditures - Total charges incurred, whether paid or unpaid, for current costs.

Family Medical Leave Act (FMLA) - The FMLA of 1993 provides up to 12 weeks of unpaid leave to an employee who has worked for at least 750 hours and 12 months at a location where there are at least 50 employees employed by the employer within 75 miles. These 12 weeks of leave are provided for certain medical reasons such as pregnancy and birth of a child, caring for an immediate family member with a serious health condition or for an employee who has a serious health condition. Certain type of notice may need to be given to the employer for requesting such leave.

Fiscal Year - A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations. CHCCS' fiscal year begins on July 1st and ends on June 30th.

Fixed Assets - Long-lived tangible assets obtained or controlled as a result of past transactions, events, or circumstances. Fixed assets include buildings, equipment, or improvements other than buildings and land. In the private sector, these assets are referred to most often as property, plant, and equipment.

Fringe Costs - All expenditures for job-related costs provided to employees as part of their total compensation. Fringe costs include the employer's portion of FICA, retirement, group insurance (health, dental, and life), unemployment, workers' compensation, and direct educational assistance.

Full-Time Equivalent (FTE) - Method of calculating hourly or part-time employees on a full-time position basis.

Fund - A fiscal and accounting entity with a self-balancing set of accounts recording assets and liabilities for specific activities of the school system.

Fund Balance - The excess of assets of a fund over its liabilities and reserves. Governmental Accounting Standards Board Statement No. 54 established five components: non-spendable, restricted, committed, assigned, and unassigned.

General Ledger - A record containing the accounts needed to reflect the financial position and the results of operations of a government. In double-entry bookkeeping, the debits and credits in the general ledger are equal (i.e., the debit balances equal the credit balances.)

Governmental Accounting Standards Board (GASB) – The independent private-sector organization that establishes accounting and financial reporting standards for U.S. state and local governments that follow Generally Accepted Accounting Principles (GAAP).

General Accepted Accounting Principles (GAAP) - Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. GAAP encompass the conventions, rules, and procedures necessary to define accepted accounting practice at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provide a standard by which to measure financial presentations. The primary authoritative body on the application of GAAP to state and local governments is the GASB.

Grants - Contributions or gifts of cash or other assets from another government to be used or expended for a specified purpose, activity or facility.

Insurance - All expenditures for insurance except those which are related to personal services and which are reflected under Fringe Costs (i.e., group health, group life, unemployment compensation, worker's compensation, etc.).

Leases and Rentals - All expenditures for payments of non-equity leases and rentals. Includes leases, which are capitalized and rental of land, structures, and equipment. Payments made under equity type lease/purchase agreements are not included here, but under Capital Leases.

Liabilities - Probable future sacrifices of economic benefits, arising from present obligations of a particular entity to transfer assets or provide services by other entities in the future as a result of past transactions or events.

Modified Accrual Basis - The accrual basis of accounting adapted to the governmental fund-type measurement focus. Under it, revenues and other financial resource increments (e.g. bond issue proceeds) are recognized when they become susceptible to accrual; that is when they become both “measurable” and “available to finance expenditures of the current period.” “Available” means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized when the fund liability is incurred except for (1) inventories of materials and supplies that may be considered expenditures either when purchased or when used, and (2) prepaid insurance and similar items that may be considered expenditures either when paid for or when consumed. All government funds, expendable trust funds, and agency funds are accounted for using the modified accrual basis of accounting.

Object Code - Line item that denotes purpose of expenditures.

Operating Budget - Plans of current expenditures and the proposed means of financing them. The annual operating budget (or, in the case of some state governments, the biennial operating budget) is the primary means by which most of the financing, acquisition, spending, and service delivery activities of a government are controlled. The use of annual operating budgets is usually required by law. Even when not required by law, annual operating budgets are essential to sound financial management and should be adopted by every government.

Per Pupil Allocation - An allocation to a school based on the type and number of students enrolled.

Personnel - All expenditures to compensate persons in the employment for direct labor including full-time and part-time employees.

Property Tax - An ad valorem tax that an owner is required to pay on the value of the property being taxed. The property tax rate is often given as a percentage. It may also be expressed as a per \$100 of taxable amount.

Revenue - The income of a government agency from taxation and other sources.

Risk Management - All the ways and means used to avoid accidental loss or to reduce its consequences if it does occur.

Taxes - Compulsory charges levied by a government to finance services performed for the common benefit. This term does not include specific charges made against particular persons or

property for current or permanent benefits, such as special assessments. Neither does the term include charges for services rendered only to those paying such charges (e.g., sewer service charges.)

Utilities - All expenditures for electrical, heating, water, and sewage services provided to school system owned and operated buildings, and facilities, regardless of whether the service is provided by a private enterprise, authority, or an enterprise fund operated by the school system.

Appendix

Appendix A: Budget Request to the Board of County Commissioners

Summary of the Board of Education's FY 2021-22 Recommended Budget

The following narrative details the requests for increases to the FY 2021-22 Board of Education's budget which will be presented to the Board of County Commissioners in April 2021. It is broken up into two sections to provide details on the budget increases related to Continuation Costs and Expansion Requests.

Student Data

The District's budget process begins by carefully considering enrollment projections for the upcoming year. State enrollment projections ultimately determine both State and local funding levels. As of this writing, initial State projections indicate a student enrollment of 12,448. The District estimates 253 students are from out of district, therefore they cannot be counted for funding purposes. The District also estimates 156 students in charter schools within the District. These students must be added in for funding purposes. For this request's purposes, the estimated enrollment, net of these adjustments, is 12,351 Average Daily Membership (ADM).

Continuation Budget

The COVID-19 pandemic has created a high level of uncertainty in our economic future regarding federal, state, and local funding. Strong local funding support is required for CHCCS to improve upon high levels of service for all students. The foundation of that local support is found in the continuation portion of the Local Operating budget. This portion represents the expenses required to be able to continue providing the same level of services and quality of education in the upcoming fiscal year.

Salaries and Wages

\$2,224,000

On March 24th the Governor released his proposed biennial budget that included several potential changes that would impact the District's budget. The Governor's budget included salary increases of 5.7% for Certified Staff and 5% for Classified Staff, which are both higher than the original 3% that the District included in the Superintendent's proposed budget. These increases will amount to a \$818,615 increase for Certified salaries and a \$814,600 increase for Classified salaries. This would also cause a needed increase of \$590,000 to cover the Local Supplement. These potential changes create a total increase of \$2,224,000 for salaries and wages in the Continuation Budget.

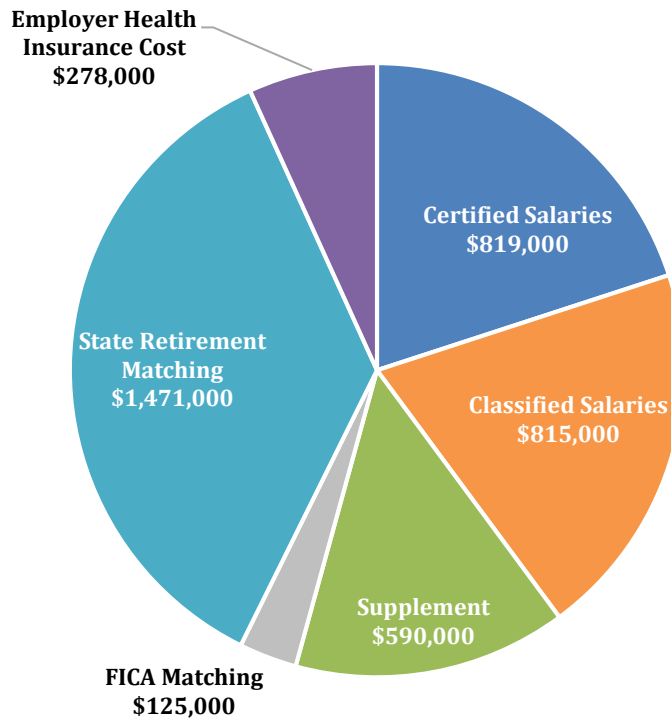
Benefit Increases

\$1,874,000

Federal and State legislation establishes employer-required matching rates and annual employer health insurance premiums. Together, these changes require adjustments to our local operational plan as the District must match salary increases for the local portion of teacher salary increases and for all locally-paid employees. The FICA rate is expected to remain at 7.65%, but to account for the 5% projected increase in classified salaries, the 5.7% projected increase in certified salaries, and all corresponding supplements, an increase of \$125,000 is included for FICA matching. Using a simple linear regression on data from the previous 5 years, the District projected increases in the State Retirement Matching and Employer Health Insurance Costs for each employee. The regression projected an increase to 22.64% from 21.68% in the matching retirement rate and an increase to \$6,791 from \$6,647 for the Employer Health Insurance Cost of each employee. The resulting budget increases were \$1,471,000 for State Retirement Matching

and \$278,000 for Employer Health Insurance Cost. Together, these combined increases matching benefits total \$1,874,000.

Recommended Increases to the Local Operating Budget for Salaries and Benefits



Project ADVANCE Salary Differential Continuation \$936,000

Over the course of the 2014-15 school year, an inclusive team of teachers, administrators, and key stakeholders developed Project ADVANCE—a strategic compensation model designed to connect professional learning to teacher and certified support staff salaries. Implemented in August 2016, Project ADVANCE represented a shift in the professional learning model for Chapel Hill-Carrboro City Schools to include compensation for completing learning at different levels.

At the March 19, 2020 Board of Education work session, all Project ADVANCE completions as of June 30, 2020 were suspended to coincide with the grant conclusion. The FY 2020-21 Board of Education Adopted Budget included a one-time hold harmless payment for all Project ADVANCE finishers including those in district-supported cohorts using \$968,000 from fund balance. At that time, the board also expressed interest in seeking a more permanent solution during the FY 2021-22 budget cycle.

Continuation of the payments as a permanent salary differential will require a recurring budgetary commitment by the District. The estimated increase required in the FY 2021-22 continuation budget is \$936,000. This cost is made up of \$719,000 in a continuing salary

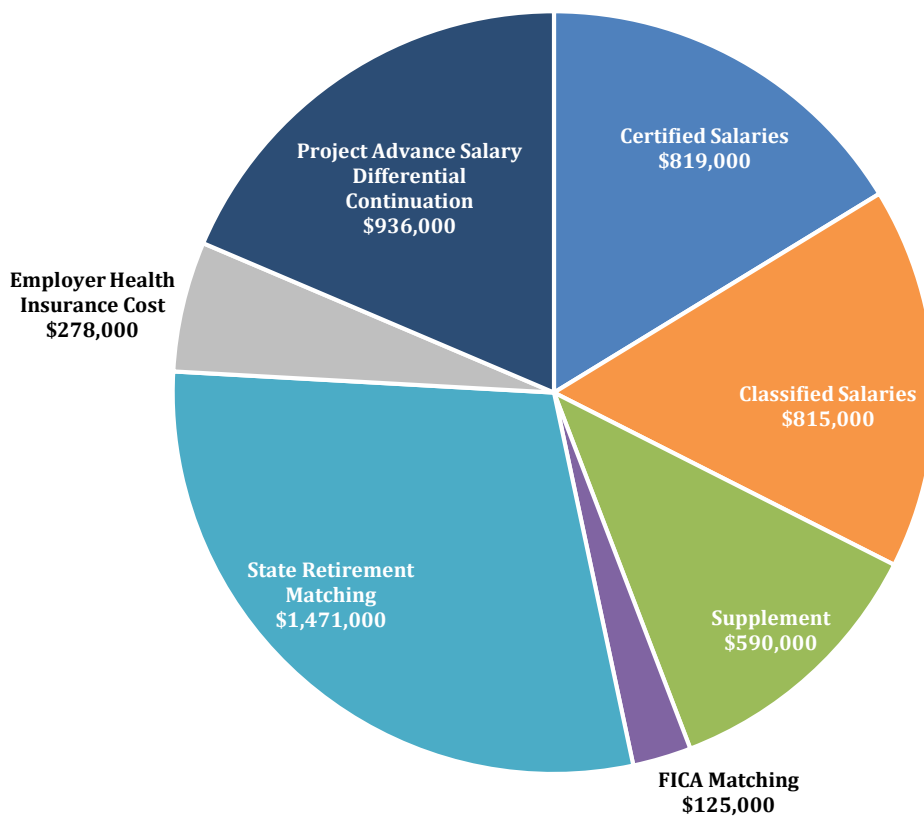
differential, \$55,000 in matching Social Security and Medicare costs, and \$162,000 of matching State retirement.

Continuation Budget Summary

\$5,034,000

The continuation budget is composed of salary, wage, and benefit increases that total \$5,034,000. It includes the cost of making the on-going Project ADVANCE stipend payments a permanent salary differential, which amounts to \$936,000. The continuation budget, which reflects the amount of additional funding necessary to continue current operations, is budgeted in total at \$5,034,000, which equates to \$408 per pupil.

Total Board of Education's Recommended Coninutation Budget



Expansion Budget

The expansion budget represents expenditures that would require additional funding beyond the base funding of the prior year budget and the requested Continuation costs. These requests would be recurring costs beyond their initial implementation. The Superintendent and Cabinet received many budget requests from our schools and department managers. While the budget requests identified needs, the expansion budget was prioritized to align with the strategic plan goals, Student Success, Family and Community Engagement, Employee Experience, and Organizational Effectiveness.

Social and Emotional Learning and Mental Health Services Expansion \$1,014,000 *(Strategic Plan Goals: Student Success)*

Prior to the pandemic, nearly one in five North Carolina students had at least one emotional, behavioral or developmental disability (Splett, 2014). Without a doubt, the emotional and mental health concerns of our students have only been exacerbated as a result of the pandemic and social unrest they have experienced over the past year. For many of our students, our schools are the only place they receive access to social and mental health support. The closure of school buildings due to the pandemic limited student access to those supports, while adding on new and more intensive stressors from remote learning and social isolation.

During the period of remote learning, a social and emotional learning (SEL) universal screener and attendance measures were used to assess student social needs and level of engagement. While we saw an increase in satisfactory attendance across all student groups in our First Semester Attendance Data Report, however; our Black and Latino students continue to experience severely chronic absenteeism at a significantly higher rate than other student groups. Attendance data also highlighted a significant increase in chronic absenteeism among middle schoolers this year from 1.6% in 2019-20 to 5.5%. The fall administration of the SEL universal screener measured student perception of the social and emotional climate of schools. Of those surveyed, results indicated that 70% of our elementary students provided favorable responses and 57% favorable responses were provided from secondary level students regarding the social and emotional climates in our schools. When we disaggregated this data by race and student groups such as students with disabilities, we saw a reduction in favorable responses from a range of 4-9 percentage points.

As we plan for the return to in-person instruction next year, we must make significant investments in sustaining and advancing long-term support for the social, emotional and mental well-being for our students. Our District has adopted Second Step, Restorative Practices and Positive Behavioral Interventions and Supports (PBIS) as three evidence-based programs for providing social and emotional learning instruction in our schools. Additionally, with the revisions to create our new CHCCS Community Code of Character, Conduct, and Support, we have invested in evidence-based practices to support operationalizing the code to eliminate disciplinary disproportional practices in our schools. Currently, all schools have different levels of implementation for every program due to limitation in providing ongoing professional development and effective implementation support.

Successful implementation of social and emotional learning must be embedded throughout the complete fabric of our school district from core instruction, professional development to hiring

practices. Providing a director of SEL and Restorative Practices will assure systemic implementation of the SEL Program to include the development and implementation of SEL standards, curriculum, instructional practices, assessments and professional learning. This position will be used to sustain core practices across every school to include how we communicate about SEL, how we explicitly teach SEL, how we integrate SEL into academics, and how we promote SEL throughout the school day and beyond into our communities. As noted in the previous budget report, the Director of SEL/RP will be critical in ensuring that this vision is actualized across our district. This position would partner with other departments in our district to include the Instructional Services Division, Equity office and Human Resources to ensure that SEL is deeply embedded and successfully implemented in all practices that direct student success. The cost of implementing the Director position will total \$150,000 for salary and matching benefits.

Given the fact that we know not all student needs are the same, school districts are required to offer additional learning supports as identified through data points to include academic, social and behavior measures. When we think about the implications for our students and their mental well-being, it is vital that we not only offer the core practices, but given this recent year and its impact on student learning, we must plan for tier II targeted support. During the previous budget report, we discussed the need for additional supports in high schools to create safe and inclusive learning environments through the implementation of the dean of student positions. These positions will help our high schools build their SEL programming with intentional emphasis on supporting students in developing social and academic efficacy. Additional priorities for this position would include offering direct skill building experiences to students in the areas of executive functioning skills, de-escalation, and problem solving. The cost of implementing three dean of student positions totals \$288,000.

Two years ago, the Board approved adding four mental health specialists, one for each high school, to address the mental health needs of our students. This addition was driven by the need to offer a continuum of services in advancing school-based mental health awareness, quality prevention, intervention, and other supports provided to students, staff and families. During the pandemic, mental health specialists were able to offer additional counseling sessions to students to address needs varying from dealing with acute stress and trauma to increasing executive functioning skills. Mental Health Specialists provide clinical and practical knowledge in the areas of Cognitive Behavior Therapy (CBT), Dialectical Behavior Therapy (DBT), Individual, Group, and Family Modalities and Mindfulness, all of which offer tiers II and III supports for our students. Data collected during the first semester indicated that secondary students, specifically middle school students could benefit from consideration of increased school-based mental health staff, one for each middle school. The total cost of implementing a mental health specialist at each middle school would be \$384,000 in salaries and benefits for the 4 positions.

Given the impact this school year has had on students across all grade levels, the Board asked for additional consideration to be given in expanding social and emotional supports at the elementary level. While most elementary schools have been able to maintain a consistent level of student engagement as measured by satisfactory attendance of 90% or greater, chronic absenteeism continues to be an issue across elementary schools, impacting some more so than others. Similarly, discipline data reviewed from the previous two academic school years also

indicate that select elementary schools more so than others struggle to reduce the disproportionate student outcomes.

Feedback collected from school leaders and the review of strategic data points lead to the recommendation of two additional mental health specialists to serve at two select schools. This recommendation will build on our district's SEL/Mental Health Support Plan to phase in additional mental health support across all school levels and strengthen our programming efforts for increasing greater access based on school needs. Adding two additional supports at the elementary level will increase the SEL/Mental Health Expansion by \$192,000.

In total, this budget request item includes 10 positions to expand the District's SEL and Mental Health services. The director position will cost \$150,000, the 3 Deans of Students will cost \$288,000, and the 6 Mental Health Specialists at the middle and elementary levels will cost \$576,000. The total cost for these positions will be \$1,014,000.

Elementary Math and English Intervention \$880,000 (Strategic Plan Goals: Student Success)

The Board requested that the District consider costs associated with additional personnel who could provide tiered supports in literacy to students not currently meeting grade level standards. A full-time certified interventionist position in each Elementary School that could address COVID-related gaps and accelerate learning for students in both reading and math would be required. Schools could create flexible scheduling to ensure that students are receiving supplemental small group or individualized instruction from the interventionist and not missing core instruction. With a 10-month position, each interventionist would cost approximately \$80,000 per year for salary and matching benefits. Adding an interventionist position at all 11 elementary schools requires an additional \$880,000 increase to the budget request.

Professional Development Office \$550,000 (Strategic Plan Goals: Employee Experience and Organizational Effectiveness)

The Office of Professional Learning is submitting a budget that is vastly different from the previous years, due to a change in funding structure (ending of the Project Advance Grant), thus causing the need to start from a zero budget, and a need to continue to improve the quality of our human resources and positive impacts on children.

During 2020-21, the office supported the work of all divisions as they worked through the closure of school buildings and COVID-19. The department continued to monitor data with regard to the Strategic Plan measures. With the end of Project ADVANCE, the Office of Professional Learning began the work of a district-wide professional learning plan. Next steps include working closely with schools and departments to build a plan and a budget that supports District and school priorities based on data and closely aligned to Student Success and Employee Experience. Initial steps were to carefully review and compile school level professional learning goals as outlined in School Improvement Plans and identify focused ways to support schools through a district plan. This plan will also support teachers in creating equity centered classrooms that support learning for all students. Ultimately, common themes will be analyzed, district professional development vision established, and process for implementation and monitoring will be further developed.

Major initiatives and work for the 2021-22 school year include the creation of a district-wide professional learning plan that is data driven based on student needs, staff needs, and inclusive of classified employees and their succession planning goals/job-specific needs/district-wide priorities. This major work includes the development and growth opportunities for school and district administrators, which has not previously been a priority based on previous fiscal allocations. According to the newly released Wallace Foundation study on the impact of principals, “it is difficult to envision an investment with a higher ceiling on its potential return than a successful effort to improve principal leadership” (p. 43).

Along with certified staff, classified staff serving schools and the District, will also be expected to participate in professional growth offerings. Optimizing school system efficiency and operational effectiveness will require streamlining stipend pay for presenters and participants and establishing a district wide professional learning platform that will communicate with HR and DPI while also documenting opportunities.

District Senior Leadership Reorganization \$65,000 *(Strategic Plan Goals: Organizational Effectiveness)*

In order for our organization to operate effectively, efficiently, and communicatively we must examine our organizational structure to ensure there is consistency in titles for people operating at the same levels throughout the organization and a clear reporting structure. The next iteration of our strategic plan will assist us with the decision-making process by including diverse perspectives. As our district strives to move from talk to action with closing opportunity and achievement gaps with equity centered decisions in mind, we are merging our departments of Equity and Family and Community Engagement. In doing so, the current vacant Executive Director of Equity and Inclusion will be reclassified to a Chief Equity and Engagement Officer. This reclassification will create a need for a \$65,000 increase, to cover salary and matching benefits, to the budget in place for the vacant Executive Director position.

Magnet School/Dual Language Coordinator \$80,000 *(Strategic Plan Goals: Student Success and Organizational Effectiveness)*

Our three Magnet/Dual Language elementary schools (Carrboro, FPG, and Glenwood) highlighted a need for a Magnet/Dual Language Coordinator to support all three schools. This position will help close our enrollment gaps in our Magnet/Dual Language Programs by developing and implementing a comprehensive marketing and family outreach plan. Additionally, this position will support school and district leaders in implementing research-based practices for magnet programming and monitoring the magnets’ impact on increasing diversity and decreasing opportunity and achievement gaps. The coordinator will serve as the liaison between schools and relevant district departments (Equity, DL/EL Office, Office of Student Enrollment, HR, PreK) to ensure clear and consistent communication and ongoing family engagement to enhance the educational experience for diverse populations. The total cost of implementing the Magnet/Dual Language Coordinator position will be \$80,000 for salaries and matching benefits.

Business and Financial Services Reorganization \$80,000 *(Strategic Plan Goals: Organizational Effectiveness)*

This reorganization plan addresses operational deficiencies in the Business and Financial Services Division brought forth by the Board’s Financial External Review. The addition of a

Coordinator of Purchasing and Procurement would add an additional level of review and management of the District's purchasing practices. It would also relieve a bottleneck effect that currently exists in the purchasing process with the Finance Officer serving as the only gatekeeper for the District's purchases. For the total cost of salary and benefits, this position would cost \$80,000.

Virtual Academy (Recurring) \$305,000 *(Strategic Plan Goals: Student Success)*

The Chapel Hill-Carrboro City School District is committed to providing quality, innovative and flexible learning environments to meet the individual needs of all students. CHCCS is exploring the possibility of establishing a High School (grades 9-12) Virtual Learning Academy for the 2021-22 school year. The Academy would operate as a separate school, with a dedicated principal and staff. Students would have the option to engage in the following personalized virtual settings:

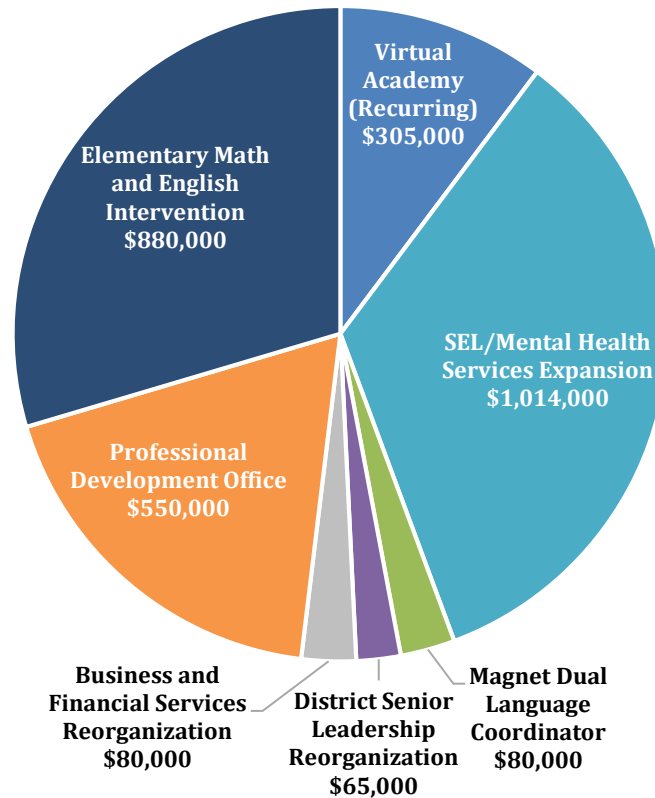
- Remote Learning with a CHCCS teacher via live instruction and asynchronous (independent) learning.
- North Carolina Virtual School (NCVPS): Facilitated by state certified NCVPS teachers, this choice provides CHCCS students with over 150 online course options, including Math, Science, English, Social Studies, electives and Advanced Placement classes, that may not be available within the CHCCS virtual course catalog.
- APEX Learning Credit Recovery: Facilitated by CHCCS teachers, this choice provides CHCCS students with the opportunity to recover high school credits for courses that may not have been initially completed with a passing grade.
- Flex Setting: A combination of the above settings.

The CHCCS Virtual Learning Academy will be structured to serve diverse student populations and those with unique educational, social, and emotional needs. Students who choose to apply to the CHCCS Virtual Learning Academy will still have the option to participate in athletics and extracurricular activities at their home school. Moving forward, the plan would be to expand the Academy to include middle school students in year two, and possibly upper elementary students in year three.

Expansion Requests Summary

The Expansion Budget totals \$2,974,000. The District feels that each item included in the request addresses critical challenges facing the District in the wake of the pandemic. Filling the learning gaps created by the extended remote learning period, providing the tools necessary to accelerate student growth so that our students have what they need to be successful is vital to our work. Maximizing efficiency in the operations of the District is also vital to the long-term sustainability of our student's success. Our Expansion Budget aligns with the Strategic Plan in each of these ways.

Total Board of Education's Recommended Expansion Budget



Revenues and Operating Transfers In

Customarily, the BOE would increase several other local revenues such as interest revenues, fines and forfeitures, and the special district tax. However, the COVID-19 pandemic has affected these revenue types in several ways that has led the District to forecast decreases. As a result, the District is holding all other local revenue sources at FY 2020-21 levels, with the exception of interest revenues. Our estimates indicate a revenue decrease of \$25,000 for next year as a direct result of the reduction in interest rates on the District's funds held in the NC State Treasurer's Short-Term Investment Fund (STIF).

Fund Balance Appropriated

We currently estimate our fiscal year end unassigned fund balance at \$15.5 million. This is approximately \$11 million above our minimum target of 5.5% or \$4.5 million. Although the District historically has assigned \$1 million to balance the current local operating budget, this request is presented without a fund balance appropriation. To date, the District has appropriated a total of \$4.8 million in fund balance in its amended FY 2020-21 local operating budget primarily to help address the challenges that surfaced throughout the pandemic and assist with the reopening of schools.

Summary FY 2021-22 Budget Request \$8,089,000

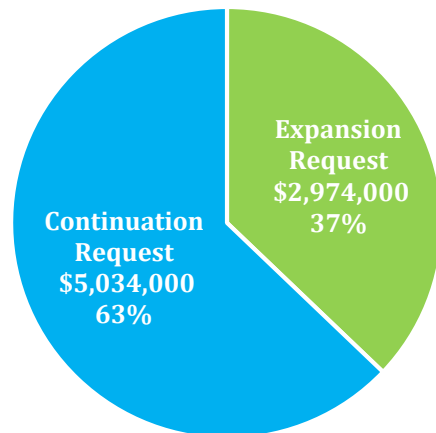
The District's overall funding request is designed with the expressed purpose of achieving excellence as we implement our plan for student success. The times ahead of us will certainly present challenges. This local operating budget request will enable us to continue our vital work as we reopen our doors. It will ensure we can keep our programs and schools moving forward. Accomplishing the goals identified in our strategic plan will only be possible if our entire community is focused on student academic needs and social and emotional growth through continued funding of our schools.

The total Local Operating Budget increase of \$8,033,000 will be essential in the success of our students as we return in the face of daunting challenges posed by the pandemic. Our Continuation request of \$5,034,000 focuses the foundation of the local budget on those who have been the foundation for us during these difficult times. Budgeting for increases in salaries for certified and classified staff and delivering the continuation of the Project ADVANCE stipends as a salary differential are critical steps to retaining the highly-qualified staff that will sustain the success of our District long-term.

Our Expansion requests of \$2,974,000 target several identified needs that must be addressed for the District to continue to grow. Offering a Virtual Academy, expanding our Social Emotional Learning and Mental Health capabilities, providing several high-need positions in District leadership to maximize efficiency and to place equity at the center of our work, and to implement more effective professional development plans are all building blocks that will impact the level of education our students receive as the District continues to move forward.

The grand total for all of these requests is \$8,008,000. Due to the expectation that interest rates will remain low into the upcoming fiscal year, the District estimates a decrease of \$25,000 in local revenues from a reduction in interest revenue. After accounting for the change in revenue, the total deficit in the local operating budget and the final amount requested by the Board of Education is \$8,033,000. This would correlate to an increase of \$650 per pupil, based on projected enrollment levels.

Total Board of Education's Recommended Local Operating Budget Request



Non-recurring Expenditures Plan

The Non-recurring Expenditure plan represents expenditures beyond the base FY 2020-21 budget and the proposed Continuation cost that would only be a one-time payment in FY 2021-22. These expenditures would not recur beyond the year they are implemented as the Expansion Requests would. These expenditures address vital short-term District needs. This year, the COVID-19 pandemic has directly impacted the education of our students and has created, and in some cases exacerbated, gaps that need to be filled. The return to schools amidst the continuation of the pandemic also presents new challenges that must be addressed for our students and staff to safely return. The following requests address these unique challenges that must be overcome to continue providing the highest quality of education. They also include other one-time payments to address operational deficiencies identified in several areas of the District.

One-time Federal Relief Funding

The Federal Government has taken several steps to stimulate an economic recovery to bring us out of the economic downturn at the onset of the COVID-19 pandemic. The earliest instance of relief relevant to the District came in the form of CARES Act Funding early in the current fiscal year. That money was used to provide equitable technology access during the period of total remote learning and to safely restart in-person learning. Subsequent to the CARES Act, the Federal Government has passed two more rounds of funding with the Elementary and Secondary School Emergency Relief (ESSER) Fund. ESSER II is the next round available to the District with a total of \$3,226,426 allotted to the District by the State on March 4th. ESSER III has also been passed for future use and NCDPI's initial planning allotment includes \$7,219,087 for the District, however this has not been finalized and allotted at this time. The following non-recurring expenditures are the District's initial plan for this federal money in the upcoming fiscal year. However, further planning will be required to ensure that this federal money is effectively invested in high-return initiatives for our students before the funds expire in FY 2023-24.

Virtual Academy (Non-Recurring)

\$100,000

(Strategic Plan Goals: Student Success)

In order to plan and launch the Virtual Learning Academy next year in grades 9-12, there will be a number of non-recurring start-up costs. These items include the purchase of technology, professional development, and supplies/furniture.

Extended Day/Year Program

\$445,000

(Strategic Plan Goals: Student Success)

To address COVID-related unfinished learning and provide continued access to rigorous and engaging content, the District is proposing to offer extended day and extended week learning recovery and enrichment programming during the 2021-22 school year, including a Saturday Academy for students in grades K-5 who need additional scaffolded instruction on grade-level curriculum and targeted skills. These extended learning opportunities are necessary to accelerate student growth and make up for precious time that has been lost during the pandemic. Extended day programming would take place at each school from approximately 2:45-4:00 several days per week. The extended week Saturday Academy would operate at a central location from approximately 8:00-1:00 p.m. on Saturdays from Fall 2021-Spring 2022. Content-integrated Literacy and Math Instruction would be provided during each session, with a focus on reviewing and previewing priority grade level standards. Social-emotional learning will also be woven into daily lessons, along with enrichment opportunities in the arts, outdoor learning activities, and/or

virtual field trips tied to the curriculum. We will also work with local colleges and universities to recruit volunteer tutors to provide enhanced staff: student ratios and prioritize small group and one-to-one tutorials. Student impact measurements will include growth in reading and math skills, mastery of grade level priority standards, and social-emotional wellness.

Safety and Security Enhancement – Phase I \$525,000

(Strategic Plan Goals: Student Success and Organizational Effectiveness)

This request will enhance campus and district wide communication, school security, and community access through enhanced ADA upgrades. This will be a 3-year project containing the following items:

- \$225,000: Emergency digital radio systems to ensure effective and efficient communication during emergency situations. Current radio equipment is antiquated and inconsistent, rendering communication between school staff as substandard. The upgrades will allow direct emergency communications between the district office and each school.
- \$300,000: Intercom system (Interior and Exterior) upgrades or repairs to ensure clear communication for general announcements and during emergency situations.

Additional phases of the project in years two and three will include upgraded panic alarm systems, security cameras and interfacing all security systems with non-proprietary equipment. Using proprietary equipment has resulted in increased costs, vendor specific repairs and the reliance on vendor specified non-compatible security cameras and access control devices.

Increased Custodial Costs Related to the COVID-19 Response \$80,000

(Strategic Plan Goals: Organizational Effectiveness)

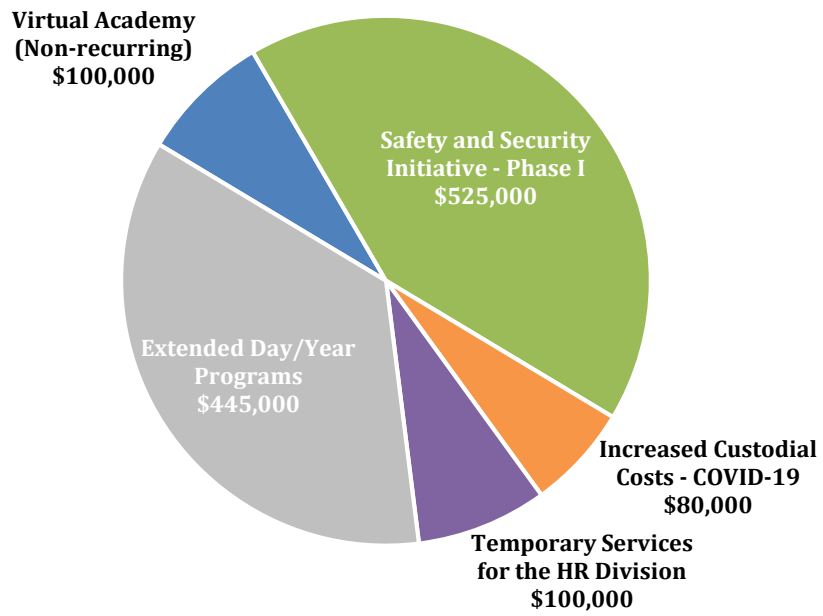
Following the Centers for Disease Control (CDC) and North Carolina Department of Health and Human Services (DHHS) guidelines to ensure proper standards are in place for daily sanitation and disinfecting has resulted in additional cost and personnel in order to keep buildings safe and clean. The use of part-time locally hired temporary workers along with a District rapid response team has assisted in cleaning when COVID related issues were reported.

Temporary Services for the Human Resources Division \$100,000

(Strategic Plan Goals: Organizational Effectiveness)

To ensure organizational effectiveness and continuity of services, the District is committed to providing coverage for prolonged absences of classified staff members (clerical and support services) in schools or departments that would not otherwise be able to be covered by existing staff members. Due to the global pandemic, staff absences are exacerbated due to COVID related reasons. These funds will allow us to cover approximately 5,000 hours when the aforementioned staff members need to be away from work for an extended period of time.

Total Board of Education Non-recurring Expenditures



**BOARD OF EDUCATION'S RECOMMENDED LOCAL OPERATING BUDGET
FOR THE BUDGET YEAR 2021 - 22**

	Total Cost	Per Pupil Cost
<u>STUDENT ENROLLMENT PROJECTIONS:</u>		
2021-22 Student Enrollment Projection:		12,351
<u>LOCAL CURRENT OPERATING BUDGET CONTINUATION COSTS</u>		
Salary and Benefit Costs:		
Increase to Salary and Supplement Costs		
Certified Staff Salary Increase (5.7% projected)	\$ 819,000	\$ 66.31
Classified Staff Salary Increase (5% projected)	815,000	65.99
Local Supplement Increase (5.33% projected)	<u>590,000</u>	<u>47.77</u>
Total Increase to Salary and Supplement Costs	<u>2,224,000</u>	<u>180.07</u>
Increase to Employer Matching Benefit Costs		
Matching Social Security and Medicare (7.65%)	125,000	10.12
Matching State Retirement (21.68% to 22.64% projected increase) (Fixed)	1,471,000	119.10
Premium Increase in Health Insurance Cost from \$6,647 to \$6,791 (Fixed)	<u>278,000</u>	<u>22.51</u>
Total Increase to Employer Matching Benefit Costs	<u>1,874,000</u>	<u>151.73</u>
Project Advance Salary Differential Continuation		
Salary Differential Continuation	719,000	58.21
Matching Social Security and Medicare (7.65%)	55,000	4.45
Matching State Retirement (22.64% projected)	<u>162,000</u>	<u>13.25</u>
Total Salary and Benefits for Project Advance Continuation	<u>936,000</u>	<u>75.78</u>
Total Local Operating Budget Continuation Costs	<u>\$ 5,034,000</u>	<u>\$ 407.58</u>
<u>LOCAL CURRENT OPERATING BUDGET PRIORITY EXPANSION COSTS</u>		
Social and Emotional Learning/Mental Health Services Expansion	1,014,000	82.10
Elementary Math and English Intervention	880,000	71.25
Professional Development Office	550,000	44.53
District Senior Leadership Reorganization	65,000	5.26
Magnet Schools Dual Language Coordinator	80,000	6.48
Business and Financial Services Reorganization	80,000	6.48
Virtual Academy	<u>305,000</u>	<u>24.69</u>
Total Local Operating Budget Expansion Costs	<u>2,974,000</u>	<u>240.79</u>
Grand Total of Local Continuation and Expansion Costs	<u>8,008,000</u>	<u>648.37</u>

**BOARD OF EDUCATION'S RECOMMENDED LOCAL OPERATING BUDGET
FOR THE BUDGET YEAR 2021 - 22**
DECREASE IN LOCAL FUND REVENUES

Reduction in Interest Earned on Investment	(25,000)	(2.02)
Total Decrease in Local Fund Revenues	(25,000)	(2.02)
Deficit in Local Current Operating Budget	8,033,000	650.39
Fund Balance Appropriated	-	-
TOTAL DISTRICT APPROPRIATION REQUEST	8,033,000	650.39

*The ad valorem tax rate for 2021-22 is estimated to generate \$2,146,501 per \$.01 increase. The District receives approximately 63% of the revenue increase or \$1,353,346. A 5.94 cents tax rate increase would be required to fund the \$8,033,000 shortfall.

**The special district tax rate for 2021-22 is estimated to generate \$1,363,791 per \$.01 increase. The revenue neutral projected rate is 18.30 cents, down from the current 20.18 cents. The special district tax would need to increase by 5.89 cents from the revenue neutral rate to a new rate of 24.19 cents to fully fund the shortfall.

**BOARD OF EDUCATION'S NON-RECURRING EXPENDITURES SUMMARY
FOR THE BUDGET YEAR 2021 - 22**
Non-Recurring Expenditures for Budget Year 2021-22

Virtual Academy	\$ 100,000	\$ 8.10
Extended Day/Year Programs	445,000	36.03
Safety and Security Initiative - Phase I	525,000	42.51
Increased Custodial Costs Related to the COVID-19 Response	80,000	6.48
Temporary Services for the Human Resources Division	100,000	8.10
Total Non-Recurring Expenditures for Budget Year 21-22	\$ 1,250,000	\$ 101.21

ONE-TIME FEDERAL RELIEF FUNDING

ESSER - II Cares Act Funding	\$ 3,226,426	\$ 261.23
ESSER - III (NCDPI Planning Allotment)	7,219,087	584.49
Total One-time Federal Relief Funding	\$ 10,445,513	\$ 845.72

Appendix B: FY 2021-22 Local Allotment Formulas

POSITION	ELEMENTARY	MIDDLE	HIGH
Principal	1 FTE; 12 months	1 FTE; 12 months	1 FTE; 12 months
Assistant Principal	1 FTE; 12 months	1: up to 725 ADM 2: 725+ ADM All 12 months	1: up to 600 ADM 2: 601 - 1,250 ADM 3: 1,251 - 1,750 ADM 4: 1,751 - 2,250 ADM all 12 months
Classroom teachers	K: 1:18 1: 1:16 2 & 3: 1:17 4 & 5: 1:24 target; 1:27 max all 10 months	n/a	n/a
Elementary Teacher Assistant	K-3: 1 FTE per homeroom; 10 months 4 & 5: .25 FTE per homeroom, rounded up to the nearest .5 FTE; 10 months DL schools were given .5 per 4th and 5th grade class, but it is not officially allocated. Crystal reports 1.5 total FTE for 4th and 1.5 total FTE for 5th	n/a	n/a
Core subjects	n/a	1: 120 ADM 30 students per class x 4 periods per day= 120 all 10 months	1:135 ADM all 10 months
Math Teacher (additional)	n/a	1 off-team math FTE per school; 10 months	1 math reduction teacher @ CHS & ECHHS; 2@ CHHS
Small classes	CSR teachers as needed; all 10 months	2 FTE per school; all 10 months Possibly from when school went over formula	2 FTE per school; all 10 months Possibly from when school went over formula

Vocational/ CTE		Dictated by the program 3 FTE per school Each LEA will receive a base of 50 months. Remaining months will be allotted based on allotted ADM in grades 8-12. Months of employment are rounded to the nearest whole month.	Dictated by the program months. Either 3:65 ADM or a standard number per school. CHS=4.8, CHHS=11.8, ECHHS=7.4
Electives	n/a	1: 140 ADM; all 10 months 28 students per class x 5 periods per day= 140	
Music, PE, Art	Music @1 FTE per 30 classes, minimum 1 10 months	included with elective allocation	included with elective allocation.
	PE @1 FTE per 20 classes, no minimum 10 months		
	Art @ 1 FTE per 30 classes, minimum 1, 10 months		
Dept. chair	n/a	n/a	No additional planning period; \$1,200 stipend for 10 teachers per high school. No additional staff allocated.
Academy Leader	n/a	n/a	No additional planning period; \$5,000 per Thematic Academy. No additional staff allocated.
AVID	Northside has AVID, but no dedicated position	1.0 FTE per school .8 teaching/ .2 planning/coordination 10 months	1.0 FTE per school .8 teaching/ .2 planning/coordination 10 months
Instructional Coaches	2.0 FTE per school (any subject); 10 months	1 FTE per school for math 1 FTE per school ELA each 10 months	1.0 FTE per school (CHS still has math coach) 10 months
Math/Science Specialist	.5 FTE per school; 10 months	n/a	n/a
Intervention Specialist	.5 FTE per school; 10 months	n/a	n/a
Reading Teacher	n/a	1.0 FTE; 10 months	1.0 FTE; 10 months
ESL	1:40 EL students; 10 months	1:40 EL students; 10 months	1:40 EL students; 10 months

Elementary Foreign Language Serving grades 1-5 per Board decision, 2009-10.	Allocation requires 3 periods @ 30 minutes per each 1-5 class or 1 FTE per 40 periods, for grades 1-5. DL schools use this position for a Cultural Enrichment (SLA/MLA) teacher. 10 months	n/a	n/a
Middle School Dual Language	n/a	CMS/MMS: 1 SLA Teacher and 1 DL SS Teacher PMS: 1 FTE for Adv Chinese & DL SS 10 months	n/a
Media Specialist	1 FTE per school; 10 months	1 FTE per school; 10 months	1: up to 1,000 ADM 1.5: 1,001-1,500 ADM 2: 1,501+ ADM 10 months
Media assistant	Cut by Board, add year	1 FTE per school; 10 months	1: up to 1,000 ADM 1.5: 1,001+ ADM 10 months
Guidance	1 FTE per school; 10 months	1 FTE per grade 1 per school @ 11 months; others @ 10.5 months	CHS ADM=3 FTE CHHS ADM=5 FTE (CHHS has 6, traded 504) ECHHS ADM =5 FTE 1 per school @ 12 months others @11 months
School Social Worker	1 FTE per school; 10 months	1 FTE per school; 10 months	1: up to 1,000 ADM 1.5: 1,001-1,500 ADM 2: 1,501+ ADM 10 months
Mental Health Specialist	n/a	n/a	1 FTE per school, 10 months
In-School Suspension/PBIS teacher	n/a	1 Certified FTE (PBIS Certified); 10 months	1 FTE (Teacher Assistant) per school; 10 months
MTSS Coordinator--Delete?	n/a	.5 at MMS; exchanged position	n/a

Nurses PK, EC, Nurse substitute	1 FTE per school; 10 months	1 FTE per school; 10 months	1 FTE per school; 10 months Phoenix uses LC Nurse Coordinator
Athletic Director	n/a	.5 FTE per school; 10 months	1 FTE per school @ 11 months Assigned 2 teaching periods
Athletic Trainer	n/a	n/a	1 FTE; 10-month year (August 1- May 30); 40 hr week
Instructional Tech Facilitator	1 FTE per school; 11 months	1 FTE per school; 11 months	1 FTE per school; 12 months
Technology Assistant Considered Lincoln Center staff. Delete?	n/a	n/a	2 @ each H.S. Considered Lincoln Center Staff
Network Support Considered Lincoln Center staff. Delete?	n/a	n/a	District Allocation
504 Coordinator	Extra duty supplement	Extra duty supplement	1 FTE per high school; 10 months
Transition Facilitator	n/a	n/a	1 FTE per school; 10 months
EC Program Facilitator	.50 FTE per school; 10 months	.50 FTE per school; 10 months	1 FTE per school; 10 months
EC Resource Teacher	1 FTE per 15 - 20 caseload; 10 months	1 FTE per 20-25 caseload; 10 months	1 FTE per 20-25 caseload; 10 months
EC TA	per total student need 10 months	per total student need 10 months	per total student need 10 months
Speech-Language Pathologist	1 FTE per 30 - 35 caseload; 10 months	1 FTE per 30 - 35 caseload; 10 months	1 FTE per 30 - 35 caseload; 10 months
Self-contained AIG (District -wide)	district program (LEAP); 10 months Should we have a number? Target is 1:24; 1:27 max	n/a	n/a
Gifted Specialist	1 FTE per school; 10 months	1 FTE per school; 10 months	n/a

Occupational Therapist	DPI: Not to Exceed 50 Students 10 months	DPI: Not to Exceed 50 Students 10 months	DPI: Not to Exceed 50 Students 10 months
Physical Therapist	DPI: Not to Exceed 50 Students 10 months	DPI: Not to Exceed 50 Students 10 months	DPI: Not to Exceed 50 Students 10 months
Principal Secretary	n/a	1 per school @ 11 months	1 per school @ 12 months
AP Secretary	n/a	n/a	1 per AP @ 12 months
Clerical assistant/ HS receptionist	n/a	n/a	1 per school @ 12 months
Theater Tech	n/a	n/a	1 FTE @ 12 months
Bookkeeper/Secretary	1 FTE per school @ 12 months	1 FTE per school @ 12 months	1 FTE per school @ 12 months
Data Manager	1 FTE per school @ 12 months	1 FTE per school @ 12 months	1 FTE per school @ 12 months
Guidance Administrative Support Assistant		1 FTE per school @ 11 months	1: up to 1,000 ADM 2: 1,000+ ADM; 1 FTE @ 12 months; other @ 11 months CHHS and ECHHS have 1
Online Learning Asst. (for NCVPS)			1 FTE per school
Study Hall			1 FTE per school
Security Guard			2 FTE per school; 10 months (1 FTE @ 6 hrs daily assigned after- school/ evening hours)
Custodian	per formula based on square footage and ADM	per formula based on square footage and ADM	per formula based on square footage and ADM
Pre-K	Program allocation		
Pre-school Handicapped	Program allocation		

Chapel Hill - Carrboro City Schools
Base Non-Salary Allotment Formulas
Budget Year 2022

Description	Budget Code	Allocation Type	Elementary	Middle	High	Other
Instructional Supplies - STATE	1.5110.061.411	per ADM	\$ 30	\$ 30	\$ 30	\$ 50
At-Risk Students	2.5330.069.143	per ADM	\$ 13	\$ 13	\$ 13	\$ 20
Field Trips	2.5110.061.333	per ADM	\$ 3	\$ 3	\$ 3	\$
Staff Development	2.5870.028.312	per FTE Factor	\$ 90	\$ 90	\$ 90	fixed
Safe Schools/Violence Prevention	2.5850.069.411	per School	\$ 2,000	\$ 12,000	\$ 16,500	\$ 2,000
Event Security	2.5850.069.311	per ADM	\$ 5	\$ 10	\$ 15	\$ -
Instructional Supplies	2.5110.061.411	per ADM	\$ 21	\$ 21	\$ 21	\$ 21
Cultural Arts	2.5132.061.411	per School	\$ 900	\$ 5,400	\$ 7,100	\$ 400
Literacy Materials	2.5330.061.411	per ADM	\$ 3	\$ 3	\$ 3	fixed
Media Center Supplies	2.5810.061.411	per ADM	\$ 12	\$ 12	\$ 12	fixed
ITF Media PD	2.5810.028.312	per School	\$ 1,000	\$ 1,000	\$ 1,000	fixed
Athletics	2.5501.061.411	per ADM	\$ -	\$ 25	\$ 50	\$ -
Athletic Travel	2.5501.003.331	per ADM	\$ -	\$ 15	\$ 30	\$ -
Co-Curricular	2.5503.061.411	per ADM	\$ 2	\$ 5	\$ 18	fixed
Travel- School Admin Office	2.5400.003.332	per School	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,200
Administrative Supplies	2.5400.061.411	per ADM	\$ 3	\$ 3	\$ 5	fixed
Custodial Supplies Pre 1990	2.6540.003.411	per Sq. Ft	\$ 0.035	\$ 0.035	\$ 0.035	fixed
SIT Funds	2.5880.061.411	per School	\$ 1,030	\$ 1,030	\$ 1,030	\$ 500
Commencement	2.5830.061.411	per Sec School		\$ 500	\$ 2,700	
Local Extra-Duty School Discretionary	2.5400.061.411	Activity Units	\$ 10.0	\$ 20.0	\$ 40.0	
FICA for Extra-Duty	2.5400.061.411	Percentage	7.65%	7.65%	7.65%	7.65%
Retirement for Extra-Duty	2.5400.061.411	Percentage	22.27%	22.27%	22.27%	22.27%
CAPITAL Classroom Furniture/Equip	4.5110.001.461	per ADM	\$ 20	\$ 20	\$ 20	\$ fixed

Appendix C: FY2022 State Planning Allotment Formulas

PRC 001: Classroom Teachers

<i>Kindergarten</i>	<i>1 per 18 in ADM.</i>
<i>Grade 1</i>	<i>1 per 16 in ADM.</i>
<i>Grades 2 - 3</i>	<i>1 per 17 in ADM.</i>
<i>Grades 4 - 6</i>	<i>1 per 24 in ADM.</i>
<i>Grades 7 - 8</i>	<i>1 per 23 in ADM.</i>
<i>Grade 9</i>	<i>1 per 26.5 in ADM.</i>
<i>Grades 10 - 12</i>	<i>1 per 29 in ADM.</i>
<i>Math/Science/Computer Teachers</i>	<i>1 per county or based on sub agreements</i>

PRC 002: Central Office Administration

Use 2020-21 Initial Allotment plus 0.20% decrease

PRC 003: Non-instructional Support Personnel

\$274.56 per ADM and \$6,000 per Textbook Commission member for Clerical Assistants

PRC 005: Principals

1 per school with at least 100 ADM or at least 7 state paid teachers or instructional support personnel. Schools opening after 7/1/2011 are eligible based on at least 100 ADM only.

PRC 007: Instructional Support

1 per 210.56 in ADM. Includes Mental Health Positions.

PRC 013: CTE

Base of 50 Months of Employment per LEA with remainder distributed based on ADM in grades 8-12

PRC 014: CTE - Program Support

\$10,000 per LEA with remainder distributed based on ADM in grades 8-12 (\$34.11)

PRC 027: Teacher Assistant

The number of classes is determined by a ratio of 1:21:

<i>Kindergarten</i>	<i>2 TAs for every 3 classes of 21 students</i>
<i>Grade 1 - 2</i>	<i>1 TA for every 2 classes of 21 students</i>
<i>Grade 3</i>	<i>1 TA for every 3 classes of 21 students</i>

PRC 032: Children with Special Needs

School Aged \$4,549.88 per funded child count. Child count is comprised of the lesser of the Dec 1 handicapped child count or 12.75% of the allotted ADM

Preschool

Base of \$69,995 per LEA; remainder distributed based on December 1 child count of ages 3, 4, and PreK- 5, (\$3,641.24) per child.

PRC 034: Academically & Intellectually Gifted

\$1,364.78 per child for 4% of ADM.

PRC 054: Limited English Proficiency

Base of a teacher asst. (\$36,778); remainder based 50% on number of funded LEP students (\$464.83) and 50% on an LEA's concentration of LEP students (\$3,881.58).

PRC 061: Supplies

\$30.12 per ADM plus \$2.69 per ADM in grades 8 and 9 for PSAT Testing

Appendix D: Description and Explanation of Line Items

Purpose Codes

Purpose means the reason for which something exists or is used. Purpose includes the activities or actions that are performed to accomplish the objectives of a local school administrative unit. For budgeting and accounting purposes, expenditures of a local school administrative unit are classified into five purposes as follows:

- 5000 Instructional Services**
- 6000 System-Wide Support Services**
- 7000 Ancillary Services**
- 8000 Non-Programmed Charges**
- 9000 Capital Outlay**

The “purpose dimension” is broken down into a function level at the second digit and, where appropriate, into a sub-function level at the third digit. The fourth digit of this dimension is not currently required by NCDPI, but is highly recommended for your use to further break down the purpose of the expenditure. NCDPI, however, will replace the last digit of the purpose code with a zero (0) for NCDPI reporting purposes.

Instructional Services (5000)

Instructional services include the costs of activities dealing directly with the interaction between teachers and students. Teaching may be provided for students in a school classroom, in another location such as a home or hospital, and in other learning situations such as those involving co-curricular activities. It may also be provided through some other approved medium. Included here are the costs of salaries and benefits for teachers, instructional assistants, instructional leadership and support staff, as well as contracted instructional services, instructional supplies, materials, and equipment, professional development, and any other cost related to direct instruction of students. Costs of activities involved in evaluating, selecting, and implementing textbooks and other instructional tools and strategies, curriculum development, demonstration teaching, and delivering staff development are also included here. Any site-based instructional supervisor or coordinator coded to this function should spend at least 75% of his/her time on these duties.

5100 Regular Instructional Services

Cost of activities that provide students in grades K-12 with learning experiences to prepare them for activities as workers, citizens, and family members. They include costs of those individuals responsible for providing school curriculum development and coordination as well as lead teachers for regular instructional services. (Not included are those programs designed to improve or overcome physical, mental, social and/or emotional impediments to learning.)

5200 Special Populations Services

Costs of activities for identifying and serving students (in accordance with state and federal regulations) having special physical, emotional, or mental impediments to

learning. Also included are those students identified as needing specialized services such as limited English proficiency and gifted education. They include costs of those individuals responsible for providing school curriculum development and coordination as well as lead teachers for special populations' services. (Certain categories of funds require that expenditures coded here must be in addition to regular allotments such as classroom teachers, textbooks, etc.) These programs include pre-kindergarten, elementary, and secondary services for the following groups of students.

5300 Alternative Programs and Services

Costs of activities designed to identify students likely to be unsuccessful in traditional classrooms and/or to drop out and to provide special alternative and/or additional learning opportunities for these at-risk students. They include costs of those individuals responsible for providing school curriculum development and coordination as well as lead teachers for alternative programs and services. Programs include summer school instruction, remediation, alcohol and drug prevention, extended day, services to help keep students in school, as well as alternative educational settings, instructional delivery models, and supporting services for identified students.

5400 School Leadership Services

Costs of activities concerned with directing and managing the learning opportunities for students within a particular school. These activities also include the work of clerical staff, in support of the teaching and leadership functions.

5500 Co-Curricular Services

Costs of school-sponsored activities, under the guidance and supervision of LEA staff, designed to motivate students, provide enjoyable experiences, and assist in skill development. Co-curricular activities normally supplement the regular instructional program and include such activities as band, chorus, choir, speech and debate. Also included are student-financed and managed activities such as clubs and proms.

5600 Reserved for Future Use

5700 Reserved for Future Use

5800 School-Based Support Services

Costs of school-based student and teacher support activities to facilitate and enhance learning opportunities for students. These include the areas of educational media services, student accounting, guidance services, health, safety and security support services, instructional technology services, and unallocated staff development.

5900 Reserved for future use

System-Wide Support Services (6000)

System-wide support services include the costs of activities providing systemwide support for school-based programs, regardless of where these supporting services are based or housed. These

services provide administrative, technical, personal, and logistical support to facilitate, sustain, and enhance instruction. Included here are the costs of salaries and benefits for program leadership, support and development and associated support staff, contracted support services, supplies, materials and equipment, professional development, and any other cost related to the system-wide support for the school-based programs of the school system. Costs of activities involved in developing/administering budgets, authorizing expenditures of funds, evaluating the performance of subordinates, developing policies and/or regulations for the District are included here.

6100 Support and Development Services

Cost of activities that provide program leadership, support, and development services for programs providing students in grades K-12 with learning experiences to prepare them for activities as workers, citizens, and family members (Not included are program leadership, support and development services for programs designed to improve or overcome physical, mental, social and/or emotional impediments to learning.)

6200 Special Population Support and Development Services

Costs of activities to provide program leadership, support, and development services primarily for identifying and serving students (in accordance with state and federal regulations) having special physical, emotional, or mental impediments to learning. Also included are support and development services for those students needing specialized services such as limited English proficiency and gifted education. These programs include pre-kindergarten, elementary, and secondary services for the special populations.

6300 Alternative Programs and Services Support and Development Services

Costs of activities to provide program leadership, support, and development services for programs designed to identify students likely to be unsuccessful in traditional classrooms and/or to drop out and to provide special alternative and/or additional learning opportunities for these at-risk students. Costs related to state Assistance Teams are also included here. Programs include summer school instruction, remediation, alcohol and drug prevention, extended day, services to help keep students in school, as well as alternative educational settings, instructional delivery models, and supporting services for identified students.

6400 Technology Support Services

Costs of central based activities associated with implementing, supporting and maintaining the computer hardware, software, peripherals, technical infrastructure which provide technology system services to the LEA. Also included is the development and implementation of technological systems; and technology user support services for the LEA.

6500 Operational Support Services

Costs of activities for the operational support of the school system such as printing and copying services, communication services, utility services, transportation of students, facilities, planning and construction, custodial and housekeeping services, maintenance

services, and warehouse and delivery services. (Do not include any costs which may be coded to one or more specific purpose functions.)

6600 Financial and Human Resource Services

Costs of activities concerned with acquisition, management, reporting and protection of financial resources; and with recruitment, retention, placement, and development of human resources for the LEA.

6700 Accountability Services

Cost of activities concerned with the development, administration, reporting and analysis of student progress. This area includes the testing and reporting for student accountability, such as end of grade and end of course testing, disaggregation, analysis, and reporting of school and student performance. This area also includes the planning, research development and program evaluation costs of the school system.

6800 System-wide Pupil Support Services

Costs of activities that provide program leadership, support, and development services for system-wide pupil support activities for students in grades K-12. These areas include educational media support, student accounting support, guidance support, health support, safety and security support, and instructional technology support system-wide services.

6900 Policy, Leadership and Public Relations Services

Costs of activities concerned with the overall general administration of and executive responsibility for the entire LEA.

Ancillary Services (7000)

Activities that are not directly related to the provision of education for pupils in a local school administrative unit. These include community services, nutrition services and adult services provided by the school system.

7100 Community Services

Costs of activities which are not directly related to the provision of educational services in an LEA. These include services such as community recreation activities, civic activities, and community welfare activities provided by the LEA

7110 Child Care Services

Costs of activities which are not directly related to the provision of educational services in an LEA. These include services such as activities of custody and care of children provided by the LEA. Before and After School Care would also be included here.

7200 Nutrition Services

Costs of activities concerned with providing food service to students and staff in a school or LEA including the preparation and serving of regular and incidental meals, or snacks in connection with school activities.

7300 Adult Services

Costs of activities that develop knowledge and skills to meet immediate and long range educational objectives of adults who, having completed or interrupted formal schooling, have accepted adult roles and responsibilities. Programs include activities to foster the development of fundamental tools of learning, prepare adults for a postsecondary career; prepare adults for postsecondary education programs; upgrade occupational competence; prepare adults for a new or different career; develop skills and appreciation for special interests; or to enrich the aesthetic qualities of life. In addition, parent involvement services in the schools, as well as volunteer activities by adults in the schools. Adult basic education programs are included in this category.

Non-Programmed Charges (8000)

Non-Programmed charges are conduit-type (outgoing transfers) payments to other LEAs or other administrative units in the state or in another state, transfers from one fund to another fund in the LEA, appropriated but unbudgeted funds, debt service payments, scholarship payments, payments on behalf of educational foundations, contingency funds, and other payments that are not attributable to a program.

8100 Payments to Other Governmental Units

Include payments to other LEAs or governmental units, which are generally for tuition and transportation for services rendered to pupils residing in the paying LEA. It is also used for indirect cost when used in conjunction with object code 392.

8200 Unbudgeted Funds

Include unbudgeted federal grant funds administered by the State Board of Education that are being set aside by the LEA and are not a part of the LEA's budgeted funds. These funds are not available for use in the current fiscal for expenditures unless the LEA first transfers an amount from this account to their budgeted line item(s) by means of an approved budget amendment. This code may also be used to identify appropriated but unbudgeted funds in any fund source by the LEA.

8300 Debt Services

Include debt service payments for lease purchases or installment contracts.

8400 Interfund Transfers

Include transfers of funds from one fund to another fund in an LEA.

8500 Contingency

Include appropriations for use in circumstances not completely foreseen. As monies are required from this item, budget amendments should be made to transfer monies to the appropriate operating function.

8600 Educational Foundations

Include payments made by the school system on behalf of an education foundation for which the school system has fiscal responsibility

8700 Scholarships

Include payments made for the awarding of scholarships by the school system for students and LEA personnel.

Capital Outlay (9000)

Expenditures for acquiring fixed assets, including land or existing buildings, improvements of grounds, initial equipment, additional equipment, and replacement of equipment. Do not include any costs which may be coded to one or more specific purpose functions. (i.e., purchase of transportation equipment would be coded to 6550, maintenance equipment would be coded to 6580, regular instructional equipment purchases would be coded to 5110, etc.). The remaining three digits may be used for local use purposes.