Hurd Isenhour Lopes LLC
CONSULTANTS

Gaston County Schools
Executive Summary
April 1, 2026

HIL Consultants met with finance staff on March 31 and April 1 to continue to reconcile the 2025-2026 Budget. Additionally, a meeting was conducted on April 1 with Cherry Road and the finance team to review work orders. The following are observations based on our work through March 31, 2026.

- The monthly budget reports through CherryRoad/Oracle continues to be a challenge. We suggest looking into other available EPR software platforms as we have an ongoing concern with the existing software.

- Based on the information provided by the staff our best estimate is that the district will have a $3 and $4 million deficit between the Local and Restricted budgets at the fiscal year-end.

- The Restricted Revenue Fund 8 has more expenditure than revenues received, which will impact next year's Local Budget and further demonstrate the need for additional cash through June 30. In addition, the Restricted Fund started the current year out being $4.4 million fund balance deficit, due to the 2024-2025 fiscal year exceeding revenues by over $8.4 million.

- The Title 1 plan needs to be revised to add additional funding for teachers. The projection based on the teachers assigned to Title 1 the fund reflects additional funds will need to be budgeted to cover the salaries through June 30th.

- We are still awaiting updated reports for March due to software limitations and will continue to monitor the cash available once the reports are available.

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- There appears to be a large amount remaining outstanding purchase orders in the Exception Children program. Recommend the purchase orders be reviewed and revised to reflect actual projected expenditure. Additionally, a review of the Maintenance of Effort for the 2025-2026 fiscal year is needed to ensure compliance with Federal Regulations.

- The district is recommending over 174 personnel cuts in order to reconcile the 2026-2027 budget. In addition, an increase will be required from the County or additional personnel cuts will need to be made. HIL Consultants will review the estimated cost estimate for the proposed 174 personnel cuts.

- The additional funding provided by the County in prior years was insufficient to offset rising expenses, including mandated increases for the employer matching retirement contributions, health insurance for locally funded personnel, and required cost of living adjustments.