



Highlights of the North Carolina Public School Budget

February 2013

**Information Analysis
Division of School Business
North Carolina Department of Public Instruction**

Highlights of the N.C. Public School Budget

Funding public education in North Carolina is a complex and integrated process. This booklet presents charts and tables which describe how state and federal funds are distributed to North Carolina's Public Schools. It also reviews the growth in average daily membership (ADM), school personnel, and the effect of Charter Schools.

The State funds schools with three basic types of allotments.

Position Allotments:

The State allots positions to a local school system for a specific purpose. The local school system pays whatever is required to hire certified teachers and other educators, based on the State Salary Schedule, without being limited to a specific dollar amount. Each local school system will have a different average salary based on the certified personnel's experience and education. Examples of position allotments are:

- Teachers
- School Building Administration.
- Instructional Support Personnel

Dollar Allotments:

Local school systems can hire employees or purchase goods for a specific purpose, but the local school system must operate within the allotted dollar amount. Examples of dollar allotments are:

- Teacher Assistants
- Textbooks
- Central Office Administration
- Classroom Materials/Supplies/Equip.

Categorical Allotments:

Local school systems may use this funding to purchase all services necessary to address the needs of a specific population or service. The local school system must operate within the allotted funds. These funds may be used to hire personnel such as teachers, teacher assistants, and instructional support personnel or to provide a service such as transportation, staff development, or to purchase supplies and materials. Examples of categorical funding are:

- At Risk Student Services
- Children with Disabilities
- Noninstructional Support Pers.
- Transportation

For additional information, please contact:

Information Analysis

Division of School Business

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For more information on Public School Finance visit
www.ncpublicschools.org/fbs/

Quick Facts

Students:

Allotted '12-13	1,492,793
Allotted '13-14	1,509,925

Number of Schools 12-13:

Regular	2418
Charter	107
Regional	1
LEAs:	115

State Funding:

2012-13	\$7.74 billion
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Federal Funding

excl. child nutrition:	\$856 million
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Education Percent of General Fund:

37.3%

Estimated Average Teacher

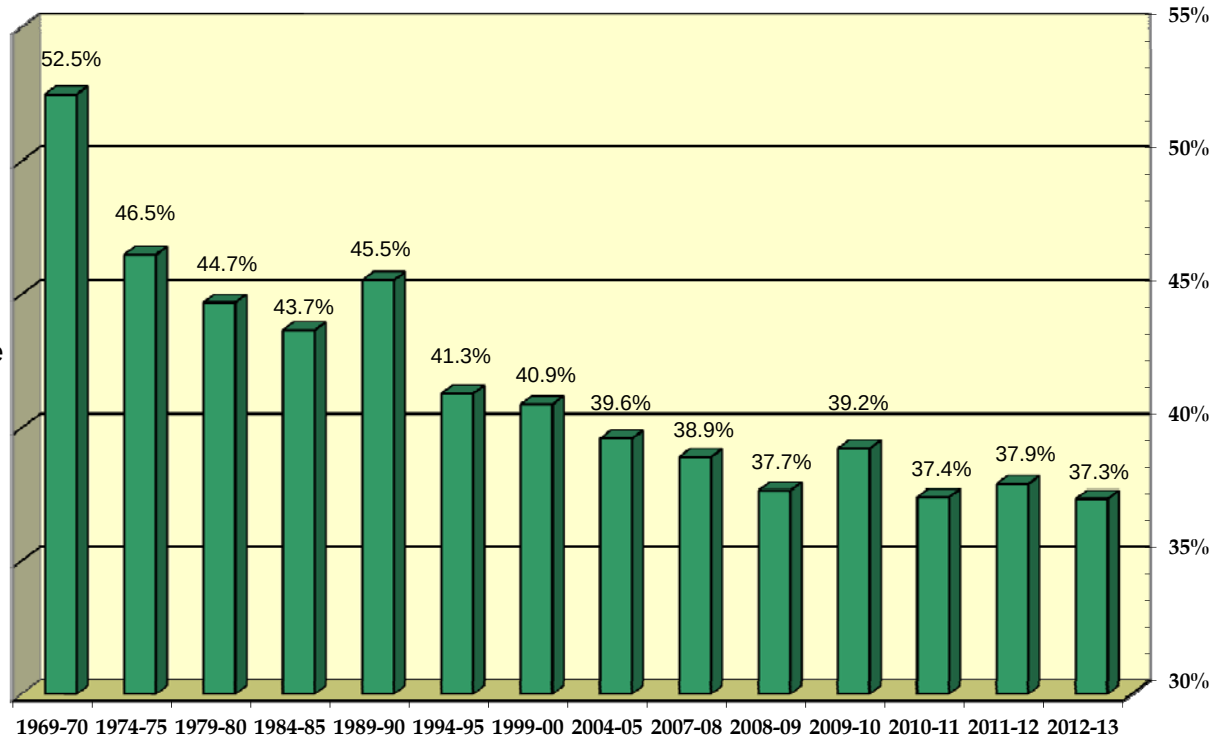
Compensation:	\$45,938
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Number of Teachers FY 2013

LEA	95,146
Charter Schools	3,203

Percent of the General Fund Public Schools Appropriations

Since 1970, the Public School's share of the General Fund has decreased by 15.2%. If our Public Schools were still funded at the same percentage as in FY 1969-70, we would have an additional \$3.02 billion for our students.

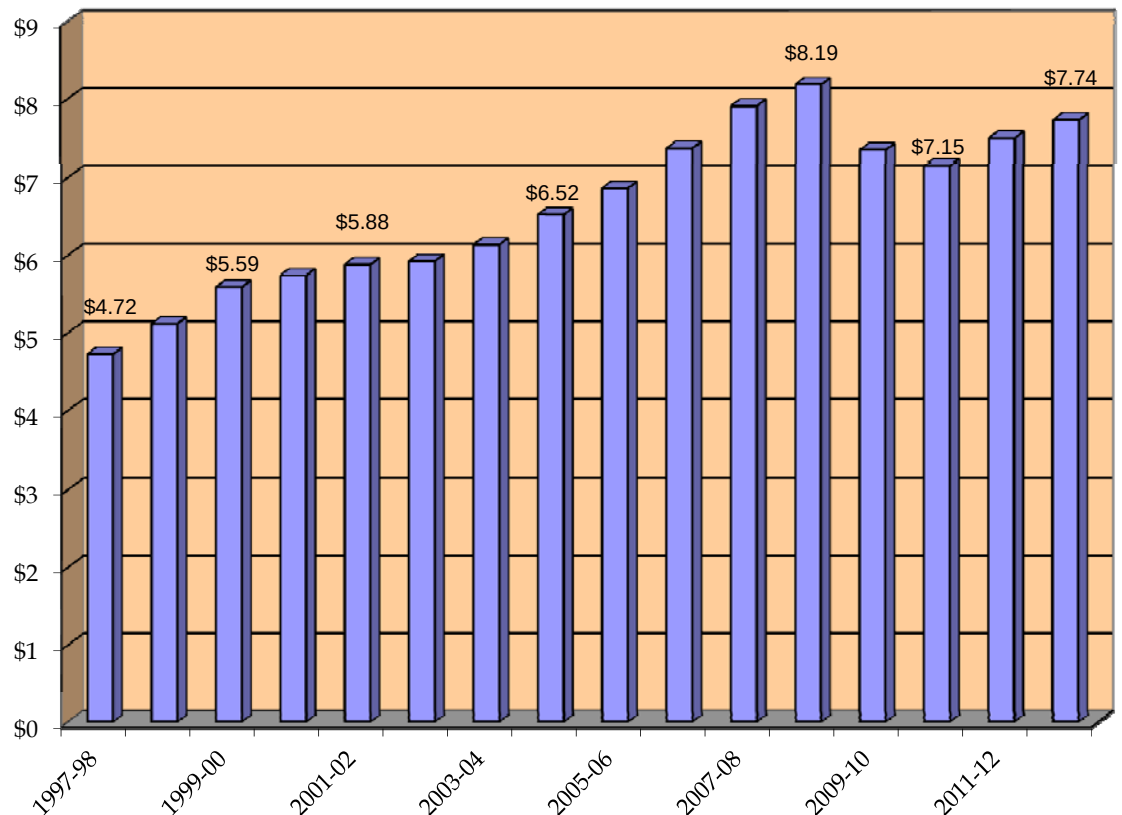


Total State Public School Appropriations 1997-98 to 2012-13 (in Billions)

Funding increased from \$4.72 billion in 1997-98 to \$7.74 billion in 2012-13.

In 2009-10 state appropriations were reduced by \$840 million to \$7.35 billion.

Since 2006-07 the number of students has increased by more than 58,000, yet the funding level is the same.

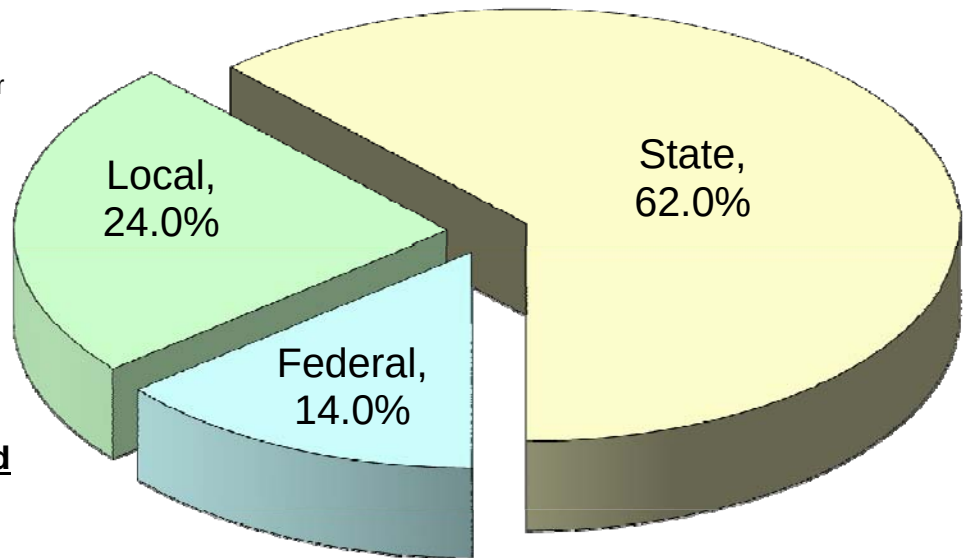


Source of Expenditures

Child Nutrition Included FY 2011-12

In 2012, NC ranked 11th in the Nation and 2nd in the Southeast for the highest percentage of funds from State revenue. The national average was 45.5%.

Most other state school systems are primarily funded by locally driven initiatives such as property taxes and local bond issues.



Child Nutrition Excluded

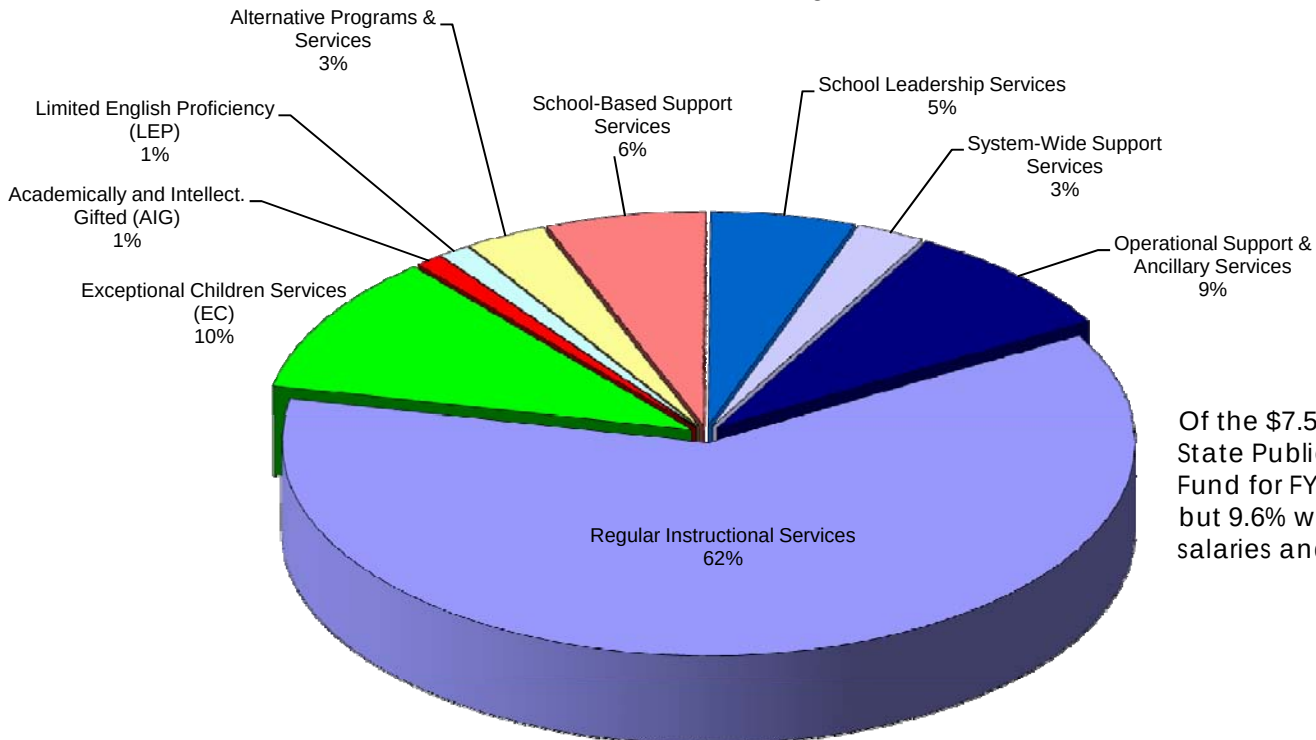
State: 65.9%

Federal: 10.7%

Local: 23.4%

Due to temporary ARRA & RttT funding the percentage funded by federal funds has increased from 7% in FY 2004 to 10.7% in FY2012 representing an increase of \$672 million.

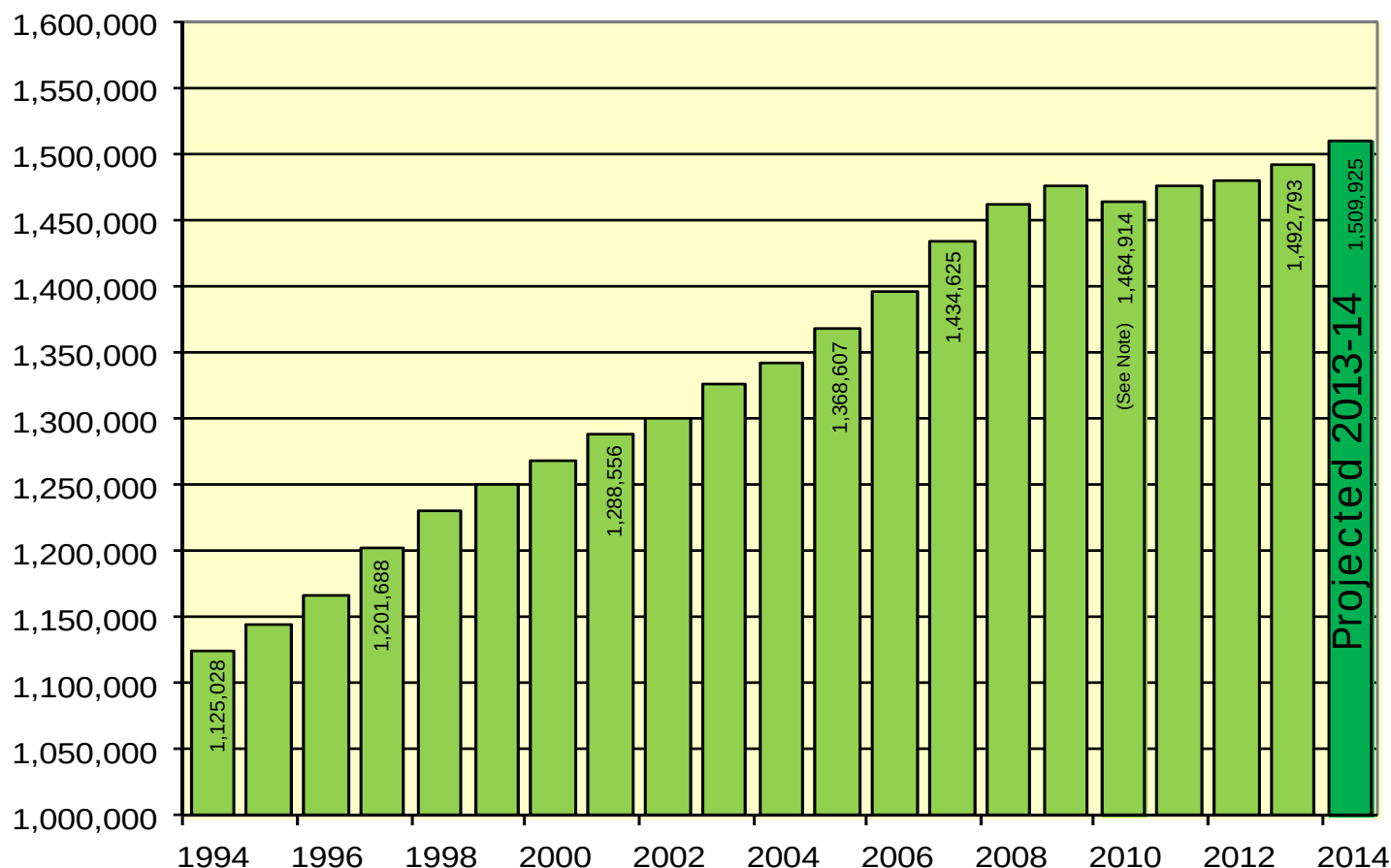
How State Funds Were Expended FY 2011-12



Of the \$7.5 billion State Public School Fund for FY2011-12, all but 9.6% was used for salaries and benefits.

Average Daily Membership

1994-2014



Note: Decrease in 2009-10 Average Daily Membership is due to the change in the Kindergarten age cut off. Starting in 2009-10, students may not be enrolled in a NC public school unless they are 5 years of age on or before August 31st, previously October 16th. This represented a decrease in Kindergarten of 13,490.

Average Daily Membership for each school month is based on the sum of the days in membership for all students in individual LEAs, divided by the number of days in the school month. To be included in ADM, a student must have a class schedule that is at least 1/2 of the school's instructional day.

Allotted Average Daily Membership (ADM) is based on the higher of:

- (a) Actual ADM from the prior year, or
- (b) Projected ADM of the current year.

Allotted ADM FY 2012-13

LEA Name	ADM
Alamance-Burlington	22,423
Alexander County	5,458
Alleghany County	1,446
Anson County	3,744
Ashe County	3,139
Avery County	2,141
Beaufort County	6,940
Bertie County	2,696
Bladen County	5,128
Brunswick County	12,295
Buncombe County	25,592
Asheville City	4,174
Burke County	13,053
Cabarrus County	29,844
Kannapolis City	5,281
Caldwell County	12,477
Camden County	1,942
Carteret County	8,489
Caswell County	2,858
Catawba County	17,128
Hickory City	4,452
Newton-Conover	2,975
Chatham County	8,109
Cherokee County	3,368
Edenton/Chowan	2,283
Clay County	1,337
Cleveland County	15,651
Columbus County	6,450
Whiteville City	2,249
Craven County	14,996
Cumberland County	51,890
Currituck County	3,923
Dare County	4,917
Davidson County	20,175
Lexington City	3,038
Thomasville City	2,449
Davie County	6,483
Duplin County	9,278
Durham County	33,072

LEA Name	ADM
Edgecombe County	7,076
Forsyth County	53,189
Franklin County	8,660
Gaston County	30,985
Gates County	1,794
Graham County	1,227
Granville County	8,559
Greene County	3,213
Guilford County	72,603
Halifax County	3,674
Roanoke Rapids City	3,113
Weldon City	1,011
Harnett County	19,871
Haywood County	7,665
Henderson County	13,563
Hertford County	3,047
Hoke County	8,228
Hyde County	574
Iredell-Statesville	21,447
Mooreville City	5,682
Jackson County	3,634
Johnston County	33,175
Jones County	1,128
Lee County	9,857
Lenoir County	9,097
Lincoln County	11,803
Macon County	4,417
Madison County	2,548
Martin County	3,721
McDowell County	6,455
Mecklenburg County	139,737
Mitchell County	2,071
Montgomery County	4,139
Moore County	12,499
Nash-Rocky Mount	16,576
New Hanover County	25,024
Northampton County	2,230
Onslow County	25,081
Orange County	7,420

LEA Name	ADM
Chapel Hill-Carrboro	12,129
Pamlico County	1,393
Pasquotank County	5,858
Pender County	8,397
Perquimans County	1,769
Person County	4,828
Pitt County	23,594
Polk County	2,300
Randolph County	18,528
Asheboro City	4,852
Richmond County	7,643
Robeson County	24,023
Rockingham County	13,596
Rowan-Salisbury	20,079
Rutherford County	8,803
Sampson County	8,618
Clinton City	2,987
Scotland County	6,124
Stanly County	8,953
Stokes County	6,822
Surry County	8,449
Elkin City	1,182
Mount Airy City	1,691
Swain County	1,982
Transylvania County	3,555
Tyrrell County	570
Union County	40,454
Vance County	6,848
Wake County	150,544
Warren County	2,426
Washington County	1,710
Watauga County	4,491
Wayne County	19,333
Wilkes County	9,979
Wilson County	12,246
Yadkin County	5,739
Yancey County	2,367
Charter Schools - Public	48,795
Total	1,492,793



N.C. Elementary and Secondary Education Appropriated Funds FY 2012-13 (Note 1)

	Budgeted Positions	Budgeted Funds	% of Total
I. State Aid - Local Education Agencies			
General Administration			
Central Office Administration		\$94,626,908	1.16%
Instructional Personnel and Related Services			
Classroom Teachers	71,400.50	2,986,497,197	
Teacher Assistants		554,090,958	
Instructional Support	7,152.50	343,332,091	
School Building Administration	4,018.68	238,804,328	
Classroom Materials/Instructional Supplies/Equipment		50,152,585	
Textbooks		22,816,039	
Annual Leave		33,457,308	
Mentor Pay		0	
ABC Incentive Awards		0	
Estimated Matching Benefits (Note 2)		1,209,453,427	
Subtotal		5,438,603,933	66.58%
Support			
Noninstructional Support Personnel		351,125,707	4.30%
Categorical Programs			
Academically & Intellectually Gifted		73,625,278	
At Risk Student Services/Alternative Schools		275,992,693	
Children with Special Needs		734,674,633	
Disadvantaged Student Supplemental Funding		80,808,768	
Driver Education		26,877,414	
Limited English Proficiency		84,463,502	
Low Wealth Supplemental Funding		227,417,694	
School Technology		0	
Small County Supplemental Funding		45,574,879	
Staff Development		0	
Transportation		423,853,724	
Vocational Education	6,696.00	414,697,125	
Subtotal		2,387,985,710	29.24%
LEA Adjustment		(359,738,508)	-4.40%
II. Other Public School Appropriations			
ADM Contingency Reserve		2,618,500	
Contracts-Finance Officer Staff Development		64,560	
EVAAS		1,845,000	
Focused Education Reform Pilot		0	
Learn and Earn & Learn and Earn Online		24,066,520	
Small Specialty High School		4,017,304	
Education Reform Studies		0	
Personnel Svcs (Longevity \$78.5M, ST Disability \$5.4M, Workers Comp \$33.9M, Unemployment \$2.4M)		121,008,229	
Sale of Equipment-Surplus		0	
School Based Child and Family Support Teams		9,579,281	
School Breakfast		2,017,761	
Student Diagnostic and Intervention Initiative		25,601,151	
School Bus Replacement		36,851,619	
Liability Insurance for Public Schools		3,145,000	
Testing		8,993,628	
Tort Claims (Department of Justice)		4,599,195	
UERS		10,258,861	
Learn and Earn Online		0	
Virtual Public Schools		0	
Subtotal		254,666,609	3.12%
Total State Public School Fund Requirements			
		8,167,270,359	100.00%
Funded by Receipts (Civil Penalties, Lottery Fund, Sales Tax Refund, Highway Fund, Surplus Sales)			
		(430,569,163)	5.27%
Grand Total State Appropriation			
		\$ 7,736,701,196	94.73%

DPI Agency Budget - State Appropriation for FY 2012-13 = \$71,542,475 (Note 3)

DPI Positions = 1,336.50 see note 4)

Flow Through Appropriations for FY 2012-13 = \$31,691,562

Note 1: Based on the State Public School Fund Certified Budget per the 701 Report dated September 8, 2012 for period ending August 31, 2012

Note 2: Includes funds for Social Security, Retirement and Hospitalization for position/month of employment allotments for Classroom Teachers, Instr Support and School Bldg Administration. Benefits for other LEA staff are included in the dollar allotments, such as Central Office Administration and Vocational Education.

Note 3: DPI's number does not include NCCAT or Teacher Academy since they are not under our State Board of Education.

Note 4: DPI's Positions includes those transferred for Residential Schools

Initial Allotment Formulas

FY 2012-13

Administration

Category	Basis of Allotment (Funding Factors are rounding.)
Central Office Administration	Increase by LEA from FY 11-12 Initial Allotment is 2.60%.

Instructional Personnel and Support Services

Category	Basis of Allotment (Funding Factors are rounded.)	Allotted Salary
Classroom Teachers <i>Grades Kindergarten</i> <i>Grades 1 - 3</i> <i>Grades 4 - 6</i> <i>Grades 7 - 8</i> <i>Grade 9</i> <i>Grades 10 - 12</i> <i>Math/Science/Computer Teachers</i>	1 per 18 in ADM. (LEA Class Size Avg. is 21) 1 per 17 in ADM. (LEA Class Size Avg. is 21) 1 per 22 in ADM. 1 per 21 in ADM. 1 per 24.5 in ADM. 1 per 26.64 in ADM. 1 per county or based on sub agreements.	LEA Average
Teacher Assistants	\$1,182.69 per K-3 ADM.	N/A
Instructional Support	1 per 210.53 in ADM.	LEA Average
School Building Administration <i>Principals</i> <i>Assistant Principals</i>	1 per school with at least 100 ADM or at least 7 state paid teachers or instructional support personnel. 1 month per 98.53 in ADM.	LEA Average LEA Average
Career Technical Ed. - MOE (LIMITED FLEXIBILITY- Salary Increase)	Base of 50 Months of Employment per LEA with remainder distributed based on ADM in grades 8-12.	LEA Average
Classroom Materials/Instructional Supplies/Equipment	\$33.16 per ADM plus \$2.69 per ADM in grades 8 and 9 for PSAT Testing	
Textbooks	\$14.26 per ADM in grades K-12.	

Employee Benefits

Category	Basis of Allotment
Hospitalization	\$5,192 per position per year.
Retirement	14.23% of total salaries.
Social Security	7.65% of total salaries.

Statewide Average Salaries for FY 2011-12 (Benefits are not included)

Category	Basis of Allotment
Teachers	\$41,817
Principals (MOE)	\$5,430
Assistant Principals (MOE)	\$4,996
Career Technical Ed. (MOE)	\$4,411
Instructional Support	\$47,999
Note: Dollars for 2012-13 position/month allotments are based on LEA's average salary including benefits, rather than the statewide average salary. They are still position/month allotments and you must stay within the positions/months allotted, not the dollars. This calculation is necessary to determine your LEA's allotment per ADM for charter schools.	

Initial Allotment Formulas

FY 2012-13

Support

Category	Basis of Allotment (Funding Factors are rounded.)
Noninstructional Support Personnel	\$233.74 per ADM. \$6,000 per Textbook Commission member for Clerical Assistants.

Categorical Programs

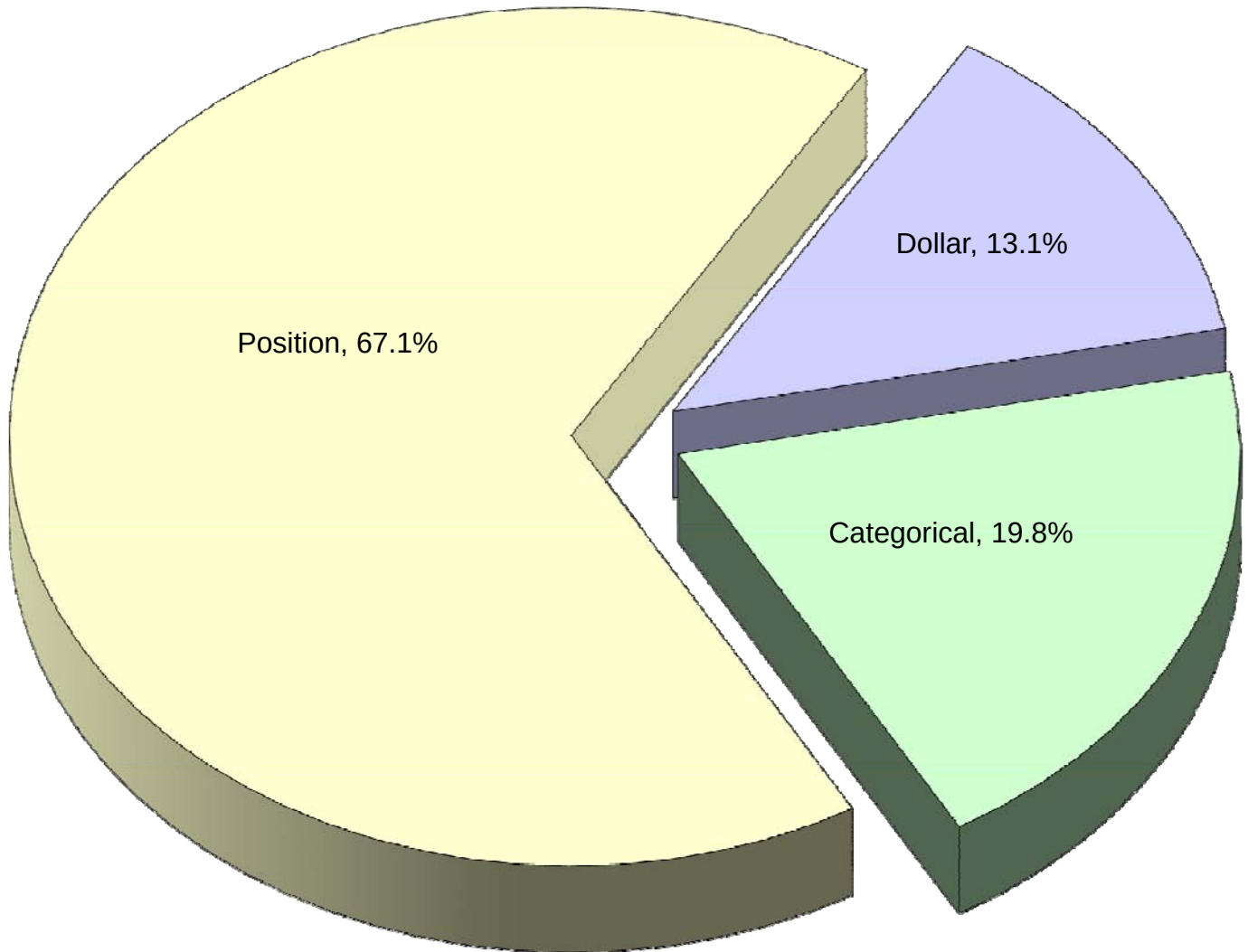
Category	Basis of Allotment (Funding Factors are rounded.)
Academically or Intellectually Gifted Students	\$1,232.94 per child for 4% of ADM.
At-Risk Student Services	Each LEA receives the dollar equivalent of one resource officer (\$37,838) per high school. Of the remaining funds, 50% is distributed based on ADM (\$86.33 per ADM) and 50% is distributed based on number of poor children, per the federal Title 1 Low Income poverty data (\$342.50 per poor child). Each LEA receives a minimum of the dollar equivalent of two teachers and two instructional support personnel (\$239,704).
Children with Disabilities <i>School Aged</i> <i>Preschool</i> <i>Group Homes</i> <i>Developmental Day Care (3-21)</i> <i>Community Residential Centers</i>	\$3,743.48 per funded child count. Child count is comprised of the lesser of the April 1 handicapped child count or 12.5% of the allotted ADM. Base of \$56,159 per LEA; remainder distributed based on December 1 child count of ages 3, 4, and PreK- 5, (\$2,979.01) per child. Approved applications. To be allotted in Revision To be allotted in Revision
Disadvantaged Student Supplemental Funding	See the Allotment Policy Manual for formula for allocating supplemental funding to address the capacity needs of LEAs in meeting the needs of disadvantaged students.
Driver Training	\$200.84 per 9th grade ADM. Includes private, charter, and federal schools.
Limited English Proficiency	Base of a teacher asst. (\$31,101); remainder based 50% on number of funded LEP students (\$406.20) and 50% on an LEA's concentration of LEP students (\$3,988.79).
Low Wealth Supplemental Funding	See the Allotment Policy Manual for formula allocating supplemental funds to eligible LEAs that are located in counties that do not have the ability to generate revenue to support public schools at the state average level.
Mentor Pay	No New Appropriation for FY 12-13.
School Technology	No New Appropriation for FY 12-13. Fines and Forfeitures will still be allocated.
Small County Supplemental Funding	See the Allotment Policy Manual for formula that allocates supplemental funding to County LEAs with less than 3,239 ADM. Also county LEAs with ADM between 3,239 and 4,080 whose adjusted property tax base per student is below the state average adjusted property tax base per student.
Staff Development	No New Appropriation for FY 12-13.
Transportation	Based on an efficiency rated formula and local operating plans. The initial allotment is 80% of Adjusted (based on final budget reductions) Planning.
Career Technical Education - Program Support	\$10,000 per LEA with remainder distributed based on ADM in grades 8-12 (\$33.79).

Restrictions for FY 2012-13 through an ABC transfer.

Category	Restrictions
Textbooks CTE Months and Support	Transfers limited to Current Year Allocation. Transfers to Categories outside of CTE are limited by Salary increase or prior year increase in allocation.
Classroom Teachers Teacher Assistants	Transfers only to Teacher Assistants (PRC 027) Transfers only to PRC 008 - Dollars for K-12 Teachers. Transfers are limited to the amount of current appropriation.
School Technology Position/MOE Allotments	No transfers in or out. No Transfers into position or MOE categories.

Types of State Funding FY 2012-13

What State Money Is Available To Local Education Agencies?



67.1% of the State funds are allocated as guaranteed certified positions.

Therefore, a LEA receives a position (or month of employment) and the state pays for the salary and benefits for the position, regardless of where the individual falls on a salary schedule.

So... a state paid teacher with 5 yrs experience costs the same to an LEA as a state paid teacher with 25 yrs experience, they both = 1 position.

Funding North Carolina's Public School Children

Based on FY 2012-2013 State Funding Levels

Students in Kindergarten through 3rd Grade

		Student Example 1	Student Example 2	Student Example 3	Student Example 4
Funding for Different Students	State	\$7,124.04	\$11,720.10	\$10,689.03	\$5,919.70
Every Student (note)	\$5,508.70	X	X	X	X
Student from a Low Income Family	\$342.50	X	X	X	
Special Learning Issues (IEP's)	\$3,743.48		X	X	
Small County	\$740.83	X	X		
Disadvantaged Student Supplemental Funding	\$241.77	X	X	X	
Low Wealth County	\$290.24	X	X		
Limited English Proficiency	\$852.58		X	X	
Intellectually and Academically Gifted	\$411.00				X
Career & Technical Ed (Voc Ed)	\$0.00				
Learn & Earn	\$0.00				

Every Student includes: Teachers (total divided by ADM; not by grade span allotment), teacher assistants (K-3), instructional support, some at-risk (ADM portion), textbooks, classroom materials/supplies (PSAT test in 9-12), school technology, transportation, and administrative & support categories (\$916.10) which includes central office administration, school building administration, noninstructional support personnel, driver education, school connectivity, school safety officer, annual leave, longevity, mentor pay, and school bus purchases.

Students in Grade 4 through 8

		Student Example 1	Student Example 2	Student Example 3	Student Example 4
Funding for Different Students	State	\$5,941.35	\$10,537.41	\$9,506.34	\$4,737.01
Every Student (note)	\$4,326.01	X	X	X	X
Student from a Low Income Family	\$342.50	X	X	X	
Special Learning Issues (IEP's)	\$3,743.48		X	X	
Small County	\$740.83	X	X		
Disadvantaged Student Supplemental Funding	\$241.77	X	X	X	
Low Wealth County	\$290.24	X	X		
Limited English Proficiency	\$852.58		X	X	
Intellectually and Academically Gifted	\$411.00				X
Career & Technical Ed (Voc Ed)	\$0.00				
Learn & Earn	\$0.00				

Every Student includes: Teachers (total divided by ADM; not by grade span allotment), instructional support, some at-risk (ADM portion), textbooks, classroom materials/supplies (PSAT test in 9-12), school technology, transportation, and administrative & support categories (\$916.10) which includes central office administration, school building administration, noninstructional support personnel, driver education, school connectivity, school safety officer, annual leave, longevity, mentor pay, and school bus purchases.

Students in Grade 9 through 12

		Student Example 1	Student Example 2	Student Example 3	Student Example 4
Funding for Different Students	State	\$5,944.04	\$11,293.65	\$8,946.69	\$4,739.70
Every Student (note)	\$4,328.70	X	X	X	X
Student from a Low Income Family	\$342.50	X	X	X	
Special Learning Issues (IEP's)	\$3,743.48		X	X	
Small County	\$740.83	X	X		
Disadvantaged Student Supplemental Funding	\$241.77	X	X	X	
Low Wealth County	\$290.24	X	X	X	
Limited English Proficiency	\$852.58		X		
Intellectually and Academically Gifted	\$411.00				X
Career & Technical Ed (Voc Ed)	\$753.55		X		
Learn & Earn	\$52.29				

Every Student includes: Teachers (total divided by ADM; not by grade span allotment), instructional support, some at-risk (ADM portion), textbooks, classroom materials/supplies (PSAT test in 9-12), school technology, transportation, and administrative & support categories (\$916.10) which includes central office administration, school building administration, noninstructional support personnel, driver education, school connectivity, school safety officer, annual leave, longevity, mentor pay, and school bus purchases.

Funding North Carolina's Public School Children

Based on FY 2012-2013 Federal Funding Levels

Students in Kindergarten through 3rd Grade

		Student Example 1	Student Example 2	Student Example 3	Student Example 4
Funding for Different Students	Federal	\$4,558.71	\$9,884.38	\$9,884.38	\$29.90
Every Student	\$29.90	X	X	X	X
Student from a Low Income Family	\$4,528.81	X	X	X	
Special Learning Issues (IEP's)	\$2,421.25		X	X	
Limited English Proficiency	\$2,904.42		X	X	
Career & Technical Ed (Voc Ed)	\$0.00				

Students in Grade 4 through 8

		Student Example 1	Student Example 2	Student Example 3	Student Example 4
Funding for Different Students	Federal	\$4,558.71	\$9,098.67	\$9,098.67	\$29.90
Every Student	\$29.90	X	X	X	X
Student from a Low Income Family	\$4,528.81	X	X	X	
Special Learning Issues (IEP's)	\$1,635.54		X	X	
Limited English Proficiency	\$2,904.42		X	X	
Career & Technical Ed (Voc Ed)	\$0.00				

Students in Grade 9 through 12

		Student Example 1	Student Example 2	Student Example 3	Student Example 4
Funding for Different Students	Federal	\$4,558.71	\$9,126.45	\$9,098.67	\$29.90
Every Student	\$29.90	X	X	X	X
Student from a Low Income Family	\$4,528.81	X	X	X	
Special Learning Issues (IEP's)	\$1,635.54		X	X	
Limited English Proficiency	\$2,904.42		X	X	
Career & Technical Ed (Voc Ed)	\$27.78		X		

Federal Funding Level:

Funding includes federal formula grants only.

Every Student includes Funds from Safe and Drug Free Schools, Improving Teacher Quality, and Education Technology.

Student from a Low Income Family includes Title I, Title I Reward School Mini-Grant, Title I School Improvement 1003G and Title I School Improvement. The ADM served for Title I School Improvement has decreased from prior year due to a decrease in the number of eligible schools. Title I School Improvement 1003G allocation was included in FY2012-2013 and no allocation was made in FY2011-12.

Special Learning Issues includes IDEA VI B Preschool Handicapped, IDEA VI B School Age Handicapped and IDEA VI B Capacity Building.

Career & Technical Ed (Voc Ed) includes Funds from Vocational Education Program Support.

Example of Student Funding Grades K-3 (State & Federal)

Student Example 4,
\$21,604.48

Limited English Proficient Student with Special Learning Issues Disadvantaged Student from Low-Income Family living in a Small, Low-Wealth County. \$16,065.88 additional funds

Student Example 3,
\$20,573.41

Limited English Proficient Student with Special Learning Issues Disadvantaged Student from Low-Income Family. \$15,034.81 additional funds.

Student Example 2
\$11,851.98

Academically Gifted Student from Low-Income Family living in a Small, Low-Wealth County. \$6,313.38 additional funds

Student Example1,
\$5,538.60

Student in grade K-3 with no additional needs.

Difficulties in Comparing Dollars per ADM

- Huge variance in the size of LEAs. ADM ranges from systems with an ADM of 570 to an ADM of 150,544.
- Certain fixed costs in LEAs such central office operations
- Younger Teachers versus Older Teachers (experience levels)
- Fixed Salary Schedules

Teacher Comparison

- Ex: Teacher in Wake with 5 years experience, versus Hyde with 20 years experience.
 - Cost per ADM for Hyde is greater.
 - Both schools have a teacher.

Teacher Allotment Ratios and Allotted Positions

FY 2012-13

2012-13 Grade Spans	Teacher Allotment Ratio	Class-Size Average Ratio for the LEA	Individual Class-Size Maximum	Positions Allotted in 2012-13
K	1:18	1:21	1:24	6,594.0
1-3	1:17	1:21	1:24	19,564.0
4-6	1:22	See Note	See Note	15,447.5
7-8	1:21	See Note	See Note	10,668.0
9	1:24.5	See Note	See Note	5,070.5
10-12	1:26.64	See Note	See Note	11,449.0

Notwithstanding G.S. 115C-301 or any other law, local school administrative units shall have the maximum flexibility to use allotted teacher positions to maximize student achievement in grades 4-12. Class size requirements in grades K-3 shall remain unchanged.

Positions and Salaries

FY 2012-13

Personnel Type	Salary Range	Average Base Salary	Allotted Positions
Superintendent (12 months)	\$57,324 - \$138,996	N/A	N/A
Assoc / Asst Supt/Dir Supervisors/Coord (12 months)	\$40,188 - \$104,268	N/A	N/A
Principals (12 months)	\$51,540 - \$110,364	\$63,856	2,398
Assistant Principals (10 months)	\$38,280 - \$65,170	\$48,849	1,431
Teachers (10 months)	\$30,800 - \$68,050	\$40,716	68,793
Instructional Support (10 months)	\$30,800 - \$68,050	\$46,997	6,653
Vocational Education (10 months)	\$30,800 - \$68,050	\$43,540	6,040
Non Certified Employees - Monthly Salary			
Teacher Asistants	\$1,935.51 - \$3,087.64	\$21,258	N/A
Clerical	\$1,875.09 - \$4,004.86	\$31,791	N/A
Custodian	\$1,856.73 - \$3,578.07	\$20,984	N/A

The average salary amounts do **not** include matching benefits
 Social Security – 7.65%,
 Retirement – 14.23%
 Hospitalization - \$5,192

Local Education Agencies Full-Time Personnel FY 2012-13

Certified Personnel:	State	Federal	Local	Total
Central Office Admin.	918	160	732	1,810
Principals	2,382	0	50	2,432
Assistant Principals	1,719	72	942	2,733
Teachers	82,095	6,856	6,195	95,146
Instructional Support	10,445	1,361	2,916	14,722
Total Certified	97,559	8,449	10,835	116,843

Non Certified Personnel:

Teacher Assistants	17,579	4,635	2,198	24,412
Technicians	469	118	968	1,555
Clerical, Secretarial	5,169	290	4,811	10,270
Other Non Certified	13,016	501	10,552	24,069
Total Non Certified	36,233	5,544	18,529	60,306

Total 2013	133,792	13,993	29,364	177,149
Percent of Total	75.5%	7.9%	16.6%	100.0%

Total 2012	130,594	18,650	26,386	175,630
Percent of Total	74.4%	10.7%	15.0%	100.0%

Teachers, Teacher Assistants, and Instructional Support Personnel make up 75.8% of all personnel.

School Building Administrators (Principals & Assistant Principals) make up 2.9% of all personnel.

Central office Administrators make up 1.0% of all personnel.

Other Nonprofessionals (Clerical, Technicians, Service Workers, etc...) make up the remaining 20.3% of personnel.

Instructional Support FY 2012-13

Instructional Support Position	FULL TIME EQUIVALENT			
	STATE	FEDERAL	LOCAL	TOTAL
Alt and Remedial Support Services	66.26	513.13	17.05	596.44
Audiologists	21.52	1.00	5.55	28.07
Career Technical Education Services (CTE)		105.87	59.63	165.50
Full Time Mentors	2.94	27.76	14.62	45.32
Guidance Services	3,627.24	40.04	249.02	3,916.30
Health Services	411.56	8.97	189.76	610.29
Instructional Coaches	385.30	147.60	390.38	923.28
Instructional Technology Services	76.07	17.88	79.22	173.17
Lead Teacher Services	17.37	103.66	168.60	289.63
Media Services	2,035.43	2.00	136.00	2,173.43
Other Instructional Support	235.43	43.24	207.27	485.94
Psychologists	606.06	123.07	43.34	772.47
Social Work Services	763.23	68.13	75.86	907.22
Special Populations Services	242.92	129.01	34.18	406.11
Speech Language Pathologists	1,345.24	57.53	60.24	1,463.01
Total FTEs	9,836.57	1,388.89	1,730.72	12,956.18

Compensation Increases

Teachers and State Employees

Since 1992-93

The yearly percentage increase
in salary accumulates to:

- Teachers - **121.8%**

- State Employees - **52.5%***

- Consumer Price Index - **68.2%**

Fiscal Year	State Employees	Teachers	Consumer Price Index
1992-93	0.0% a.	2.0%	3.1%
1993-94	2.0%	5.0%	2.6%
1994-95	4.0% b.	7.0% c.	2.9%
1995-96	2.0%	2.0%	2.7%
1996-97	4.5%	5.5%	2.8%
1997-98	4.0%	7.5% d.	1.8%
1998-99	3.0% b.	7.5% d.	1.7%
1999-00	3.0% b.	7.5% d.	2.9%
2000-01	4.2% e.	6.5% d.	3.4%
2001-02	0.0% f.	2.9%	1.8%
2002-03	0.0% g.	1.8%	2.2%
2003-04	0.0% h.	1.8%	2.2%
2004-05	2.5% i.	2.5%	3.0%
2005-06	2.0% k.	4.2%	3.8%
2006-07	5.5%	8.0%	3.2%
2007-08	4.0%	5.0%	2.8%
2008-09	2.8% l.	4.0% d.	3.8%
2009-10	0.0%	0.0%	-0.4%
2010-11	0.0%	0.0%	1.5%
2011-12	0.0%	0.0%	3.0%
2012-13	1.2% m.	1.2% m.	1.8% j.

Notes:

- * Flat rate amounts are not included in the percentage accumulation total.
- a. An across-the-board flat rate of \$43.5 per month was provided for all employees.
- b. Plus a one-time bonus of 1% to each permanent employee (0.5% bonus in 1999-2000).
- c. Salary increases for teachers ranged from 5% for teachers with 3 years or less experience or at the 30 year maximum, to 7% for teachers with over 3 years experience. Principals and Assistant Principals received a 9% increase. School bus drivers received an 8% increase.
- d. Teachers received varying increases depending on their years of experience.
- e. Plus a one-time bonus of \$500 to each permanent employee.
- f. An across-the-board flat rate of \$52.08 per month was provided for all employees.
- g. Full-time State Employees received an additional 10 days vacation.
- h. Full-time State Employees received an additional 10 days vacation plus a one-time bonus of \$550.
- i. State Employees received the greater of \$1,000 or 2.5%.
- j. Through November 2012. Bureau of Labor Statistics
- k. State Employees received the greater of \$850 or 2.0%.
- l. State Employees received the greater of \$1,100 or 2.75%
- m. Full-time State Employees received an additional 5 days vacation.

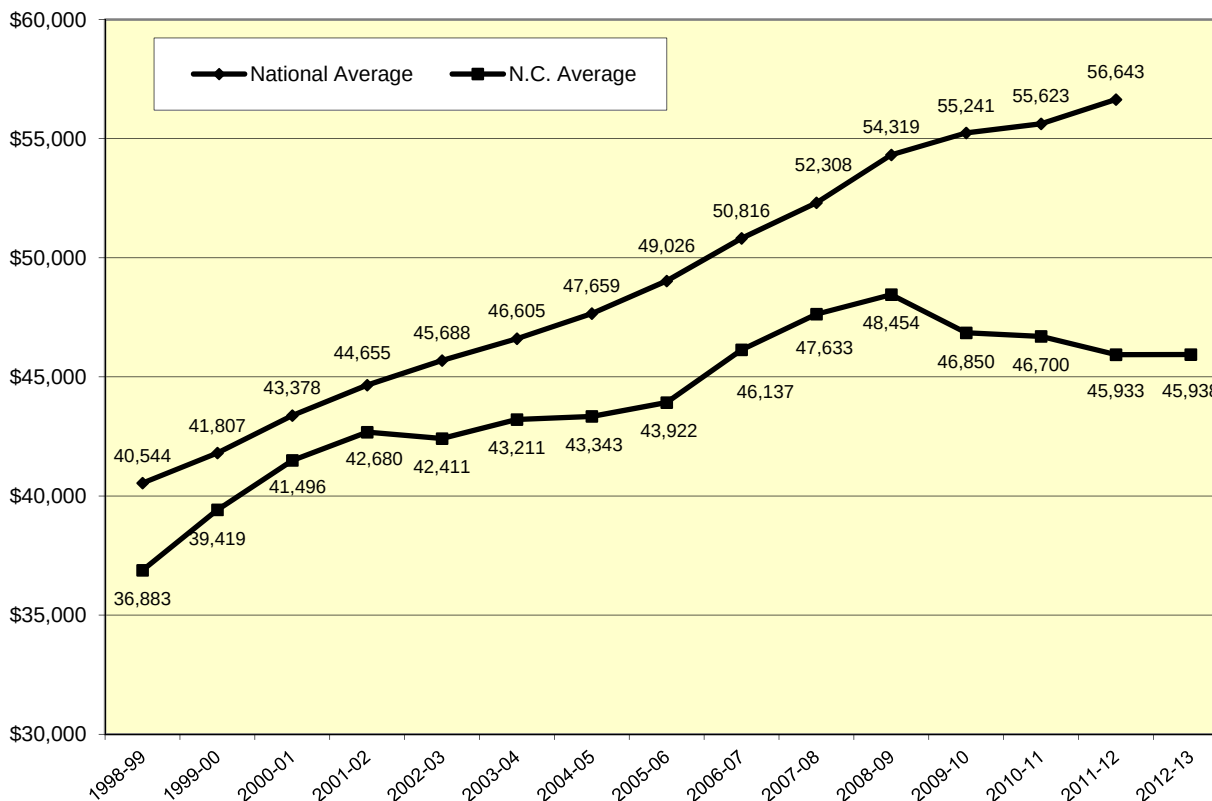
Average Teacher Compensation

Category	2012-13 Estimate	2011-12 Final	2012-13 \$ Chg
Base Salary ⁽¹⁾	\$ 40,716	\$ 41,032	(\$316)
New Teacher Orientation ⁽²⁾	\$ 20	\$ 13	\$7
Extended Contract ⁽²⁾	\$ 9	\$ 4	\$5
Tutor ⁽²⁾	\$ 248	\$ 244	\$4
Longevity Pay ⁽²⁾	\$ 748	\$ 752	(\$4)
Supplementary Pay ⁽³⁾	\$ 3,726	\$ 3,433	\$293
ABC and Retention Bonus ⁽⁴⁾	\$ 5	\$ 8	(\$3)
Workshop Participant ⁽²⁾	\$ 15	\$ 17	(\$2)
Annual Leave Pay ⁽²⁾	\$ 357	\$ 341	\$16
Mentor Pay ⁽²⁾	\$ 10	\$ 9	\$1
Other Assignments ⁽²⁾	\$ 14	\$ 10	\$4
Total	\$ 45,868	\$ 45,863	\$ 5
State Agency Teachers ⁽⁵⁾	70	70	0
Grand Total	\$ 45,938	\$ 45,933	\$5

NOTES:

- 1) Base salary calculated based on 6th pay period payroll data.
- 2) Calculated amounts based on JHA355EG-R01 expenditure data.
- 3) Supplementary pay information is received from LEAs annually via survey.
- 4) Bonuses are based on JHA355EG-R01 expenditure data, and FTEs on 6P Salary data.
- 5) Additional pay per Office of State Budget, and Management for state agency teachers such as those provided by Office of Juvenile Justice and DHHS.

North Carolina vs. National Average Comparison of Average Teacher Compensation



National Average from NEA Annual Rankings and Estimates.

Estimated Average Salary for Southeast Region FY 2012 was **\$48,090**.

North Carolina ranks 10th in the Southeast in Average Teacher Compensation.

States included are VA, WV, AL, AR, FL, GA, KY, LA, MS, SC, TN, NC

National Board (NBPTS) History

Fiscal Year	NBPTS Teachers	Years Exp	Monthly NBPTS Pay	Avg Certified Salary
2004	6,002	16.40	\$475.76	\$4,437
2005	7,399	16.60	\$480.61	\$4,486
2006	8,582	16.77	\$493.34	\$4,605
2007	9,604	16.91	\$527.47	\$4,923
2008	10,478	16.95	\$545.91	\$5,095
2009	11,314	17.04	\$552.16	\$5,153
2010	12,175	16.85	\$543.87	\$5,076
2011	13,641	16.46	\$531.70	\$4,963
2012	13,973	16.67	\$525.56	\$4,905
2013	13,363	17.13	\$528.11	\$4,929

Note: NBPTS pay differential originated on July 1, 1997. Teachers who receive a National Boards for Professional Teaching Standards certification may be eligible for a 12% pay differential.

Classroom Teacher Education and Years Experience

State Funded only, FY 2012-2013

Years of Experience	Full Time Equivalent						Total Years of Exp.	2013 Average Salary
	Bachelors	Masters	Adv./Doc.	NBPTS Bachelors	NBPTS Masters	NBPTS Adv./Doc.		
0	3,013.09	644.33	5.00	-	-	-	3,662.42	\$3,134.92
1	2,420.31	593.12	8.70	-	-	-	3,022.13	\$3,141.90
2	2,172.63	519.49	1.00	-	-	-	2,693.12	\$3,139.62
3	1,730.72	502.85	6.00	-	-	-	2,239.57	\$3,150.49
4	2,107.10	792.54	2.00	11.91	19.00	-	2,932.55	\$3,169.71
5	2,285.49	1,008.73	15.00	39.39	60.41	-	3,409.02	\$3,233.82
6	2,272.88	1,060.58	9.00	181.22	161.95	-	3,685.63	\$3,310.46
7	2,254.56	1,089.06	12.50	215.51	226.92	-	3,798.55	\$3,467.52
8	1,978.84	1,156.98	14.69	259.72	277.38	3.00	3,690.61	\$3,645.25
9	1,959.46	1,008.44	12.85	248.07	312.70	1.00	3,542.52	\$3,787.65
10	1,766.46	1,012.13	14.90	282.26	325.69	5.00	3,406.44	\$3,944.35
11	1,751.55	990.87	11.22	267.82	307.39	4.91	3,333.76	\$4,051.49
12	1,703.45	946.35	13.01	284.10	298.51	1.00	3,246.42	\$4,103.65
13	1,616.90	915.11	13.50	297.32	343.05	6.00	3,191.88	\$4,171.96
14	1,536.21	853.83	18.97	268.46	320.69	5.97	3,004.13	\$4,224.51
15	1,455.28	817.14	17.48	281.42	327.33	6.00	2,904.65	\$4,285.40
16	1,415.07	762.67	21.77	249.33	310.12	6.00	2,764.96	\$4,335.37
17	1,231.25	709.72	28.43	253.70	316.65	5.00	2,544.75	\$4,410.17
18	1,181.26	665.90	20.50	229.20	290.63	1.00	2,388.49	\$4,458.93
19	1,186.35	601.08	19.94	199.50	280.42	7.08	2,294.37	\$4,509.65
20	977.23	533.91	10.50	187.62	269.44	10.00	1,988.70	\$4,589.32
21	905.11	511.77	11.44	142.92	203.53	7.00	1,781.77	\$4,627.19
22	854.86	439.16	11.00	170.29	221.21	5.00	1,701.52	\$4,703.64
23	849.53	448.74	14.52	109.89	201.24	3.00	1,626.92	\$4,750.96
24	825.78	470.30	17.28	127.15	179.85	5.00	1,625.36	\$4,814.84
25	740.10	446.24	19.45	117.37	198.19	8.00	1,529.35	\$4,905.23
26	638.60	355.36	9.38	112.46	171.50	4.46	1,291.76	\$4,967.21
27	649.10	420.26	15.00	87.50	165.53	9.00	1,346.39	\$5,040.10
28	635.07	388.24	17.06	92.00	161.71	12.00	1,306.08	\$5,110.93
29	536.89	309.43	13.96	73.36	132.43	4.00	1,070.07	\$5,168.26
30	398.90	250.07	11.50	47.37	91.30	8.00	807.14	\$5,240.09
31	285.08	225.22	17.86	32.26	94.23	1.55	656.20	\$5,359.18
32	281.32	238.23	7.60	38.00	63.59	2.50	631.24	\$5,402.08
33	252.94	215.26	8.70	25.50	59.43	2.00	563.83	\$5,479.76
34	227.33	162.10	6.20	28.60	49.74	4.00	477.97	\$5,577.12
35+	682.33	686.55	39.75	47.92	133.85	10.50	1,600.90	\$5,696.19

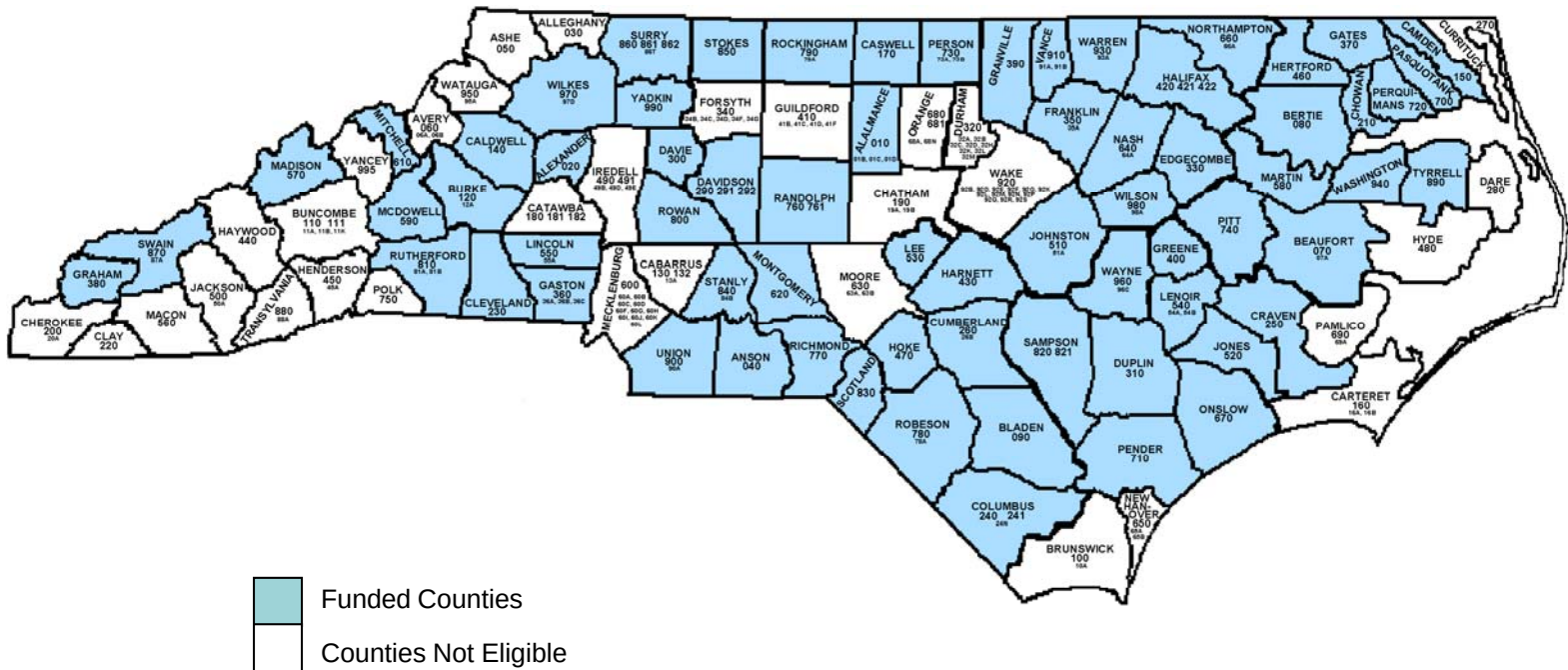
Subtotal	46,779.03	22,751.76	497.66	5,009.14	6,575.61	147.97	81,761.17
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- Master's Teachers pay is 10% above Bachelor's pay. NBPTS pay is 12% above Bachelor's or Master's pay.
- Advanced Teachers receive \$126/ month in addition to Masters and/or NBPTS pay differential.
- Doctorate Teachers receive an additional \$253/ month in addition to the Master's and or NBPTS pay differential .
- Data for 262.47 teachers was not available and therefore not included.

(1) Does not include Local Supplement or other compensation.

Low Wealth Supplemental Funding

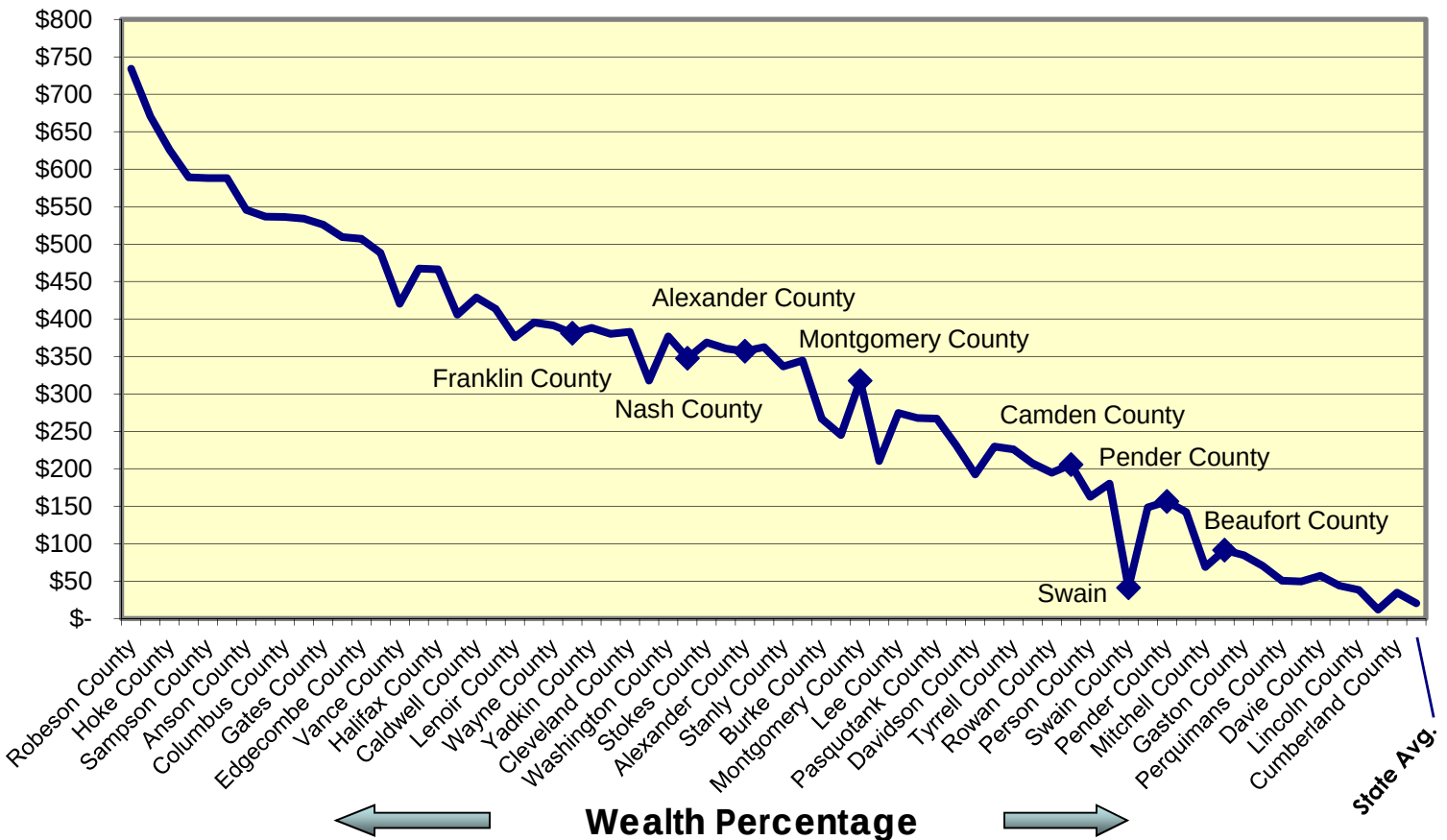
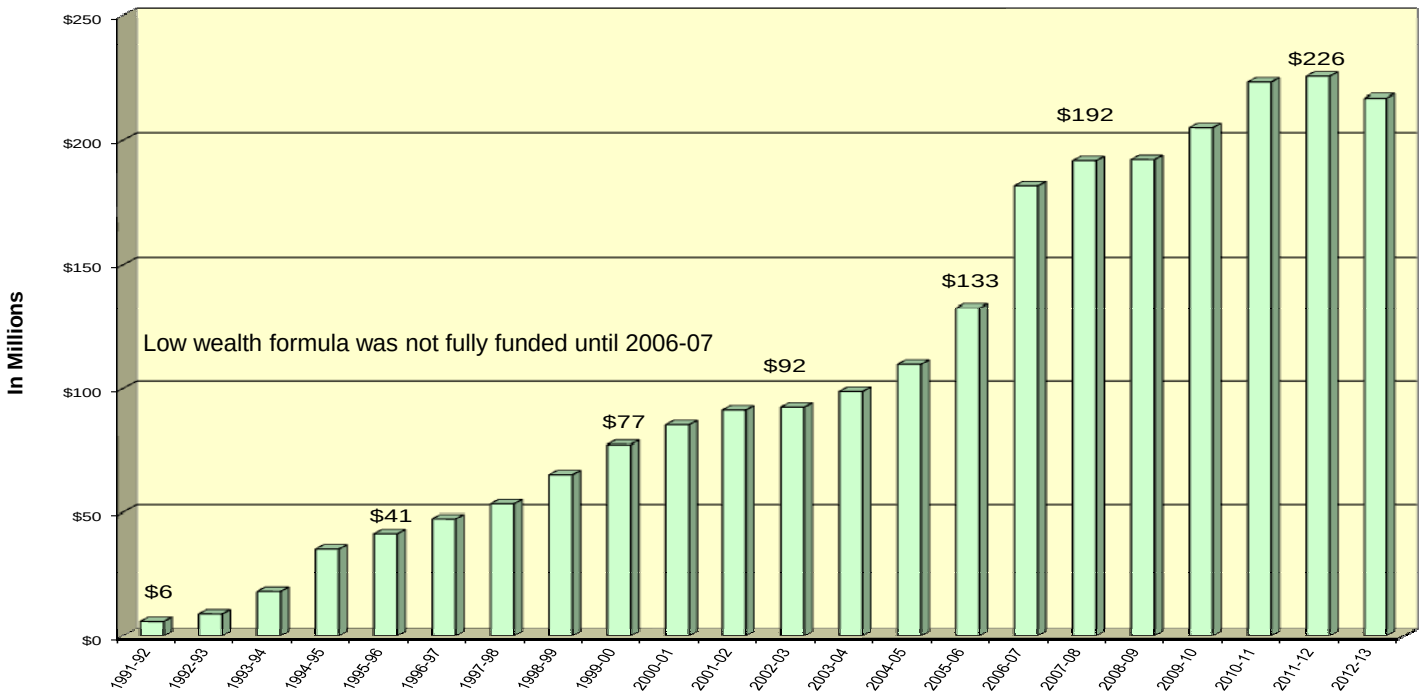
FY 2012-13 Counties



North Carolina provides supplemental funding to systems whose ability to generate local revenue per student is below the state average. Some of the factors used to determine eligibility are county adjusted property tax base, square miles in the county, and per capita income. There are 68 “Low Wealth” counties (78 LEAs) in 2012-13.

Low Wealth Supplemental Funding

Total State Funding



Note: The low dollars per ADM for Swain County is a result of the county's low "effort". Swain County's effective tax rate was below the State average effective tax rate and Swain County's local appropriation per student was 25.6% of what the county could contribute based on the county's wealth and an average state effort, therefore; Swain County was eligible for 25.6% of their appropriation (based on funds available).

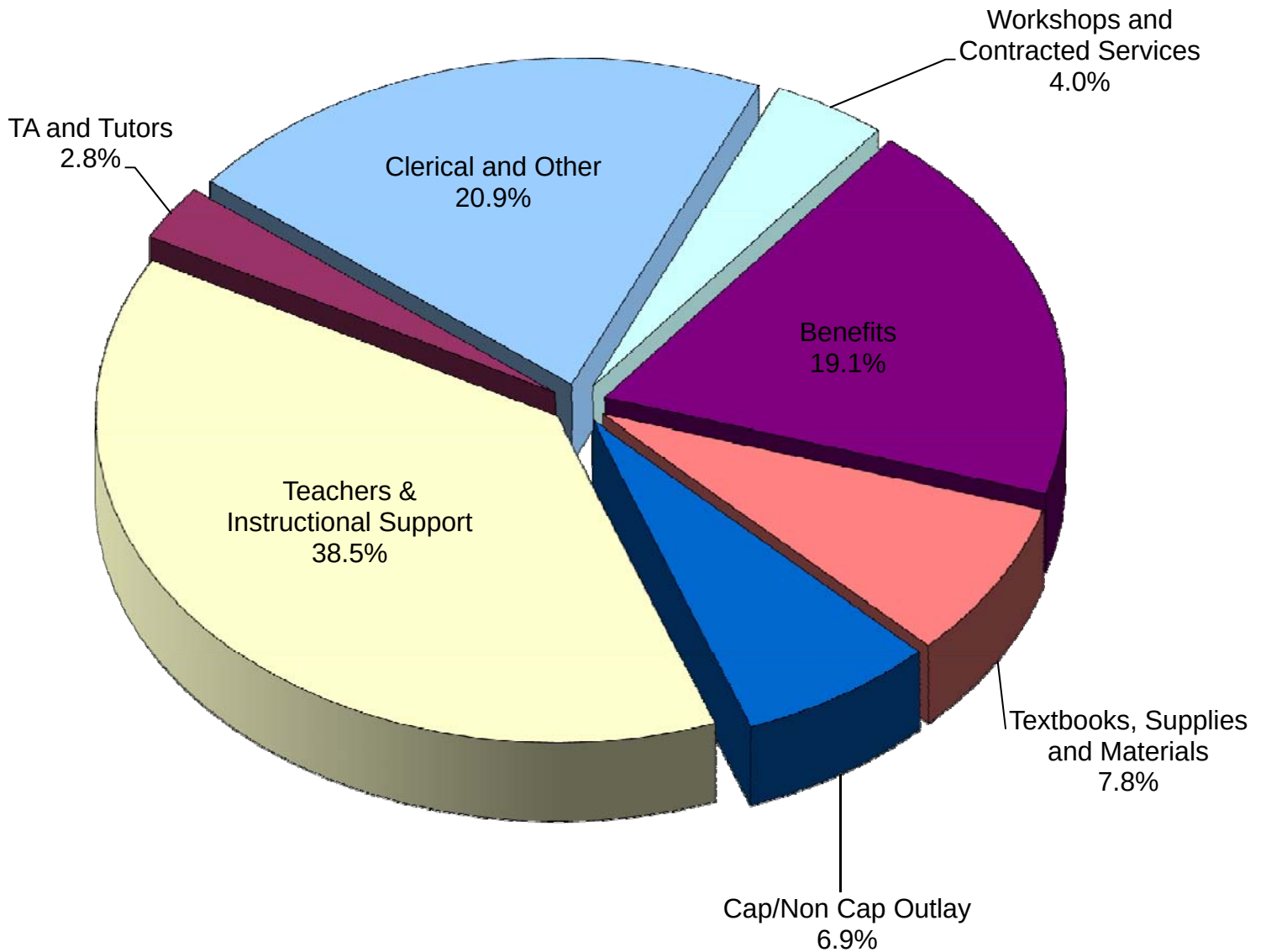
Low Wealth Eligible Counties

FY 2012-13

Eligible County	Wealth %	Dollars per child
Robeson County	55.97%	\$ 737.85
Greene County	59.99%	\$ 670.48
Hoke County	62.65%	\$ 625.90
Richmond County	64.85%	\$ 589.04
Sampson County	64.91%	\$ 588.03
Scotland County	64.91%	\$ 588.03
Anson County	67.44%	\$ 545.63
Harnett County	67.98%	\$ 536.58
Columbus County	68.00%	\$ 536.25
Duplin County	68.14%	\$ 533.90
Gates County	68.62%	\$ 525.86
Bertie County	69.61%	\$ 509.27
Edgecombe County	69.74%	\$ 507.09
Granville County	70.87%	\$ 488.15
Vance County	71.98%	\$ 469.55
Hertford County	72.12%	\$ 467.21
Halifax County	72.17%	\$ 466.37
Randolph County	74.21%	\$ 405.82
Caldwell County	74.41%	\$ 428.83
Caswell County	75.32%	\$ 413.58
Lenoir County	76.30%	\$ 397.16
Bladen County	76.41%	\$ 395.32
Wayne County	76.41%	\$ 395.32
Franklin County	76.72%	\$ 390.12
Yadkin County	76.84%	\$ 388.11
Rockingham County	76.92%	\$ 386.77
Cleveland County	77.16%	\$ 382.75
McDowell County	77.34%	\$ 317.83
Washington County	77.53%	\$ 376.55
Nash County	77.72%	\$ 373.36
Stokes County	78.00%	\$ 368.67
Johnston County	78.07%	\$ 367.50
Alexander County	78.09%	\$ 356.92
Martin County	78.38%	\$ 362.30

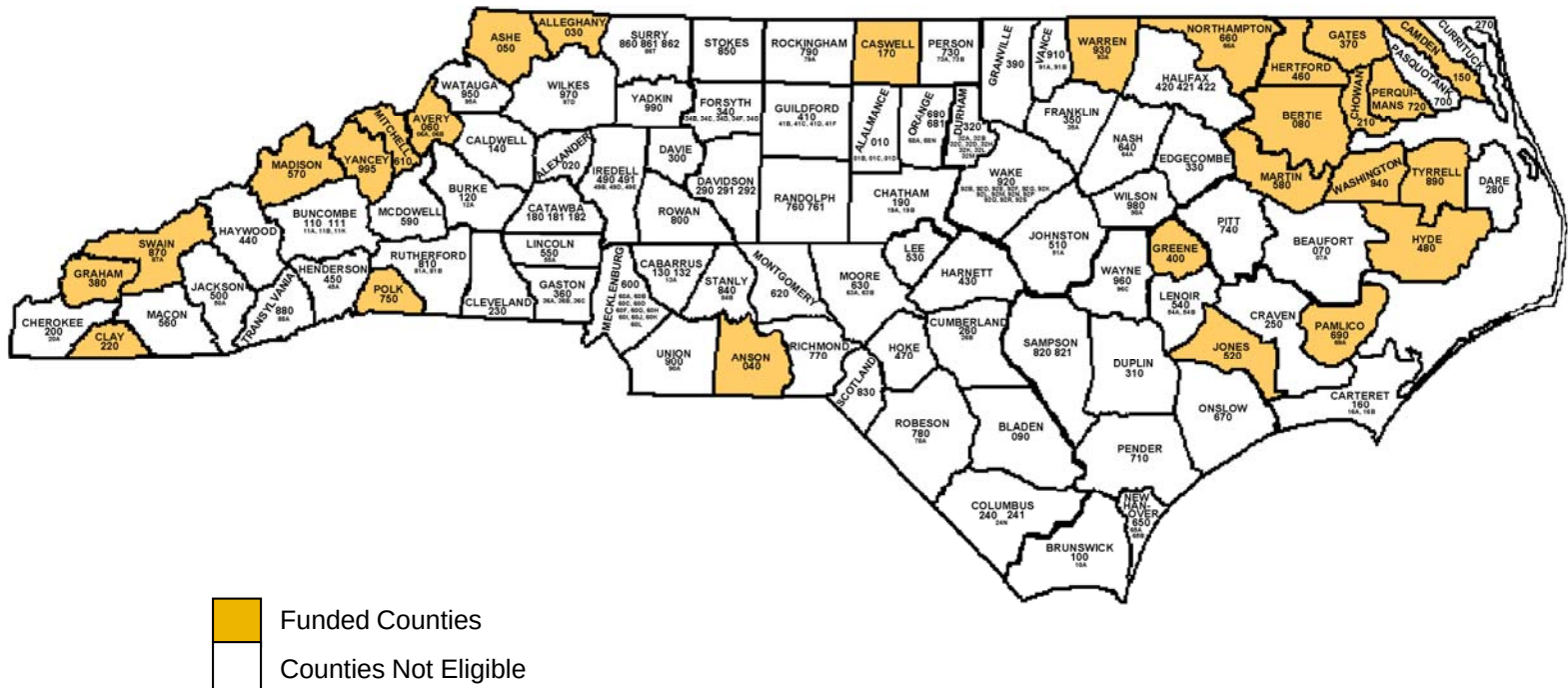
Eligible County	Wealth %	Dollars per child
Stanly County	79.03%	\$ 351.41
Surry County	79.32%	\$ 344.37
Burke County	79.85%	\$ 270.14
Rutherford County	80.09%	\$ 289.94
Montgomery County	81.05%	\$ 317.56
Northampton County	83.46%	\$ 277.17
Lee County	83.62%	\$ 274.49
Wilkes County	83.78%	\$ 271.81
Pasquotank County	84.07%	\$ 266.95
Wilson County	85.16%	\$ 248.69
Davidson County	86.21%	\$ 192.50
Pitt County	86.30%	\$ 229.58
Tyrrell County	86.52%	\$ 225.90
Jones County	87.65%	\$ 206.96
Rowan County	87.66%	\$ 194.09
Camden County	87.73%	\$ 205.62
Person County	88.21%	\$ 197.57
Alamance County	88.32%	\$ 190.45
Swain County	89.22%	\$ 44.80
Warren County	90.58%	\$ 157.86
Pender County	90.67%	\$ 156.35
Chowan County	91.51%	\$ 142.27
Mitchell County	93.49%	\$ 68.73
Beaufort County	94.31%	\$ 95.35
Gaston County	94.60%	\$ 90.49
Union County	95.68%	\$ 72.39
Perquimans County	95.84%	\$ 50.61
Craven County	95.92%	\$ 49.50
Davie County	96.59%	\$ 57.14
Onslow County	96.67%	\$ 43.86
Lincoln County	97.43%	\$ 43.07
Graham County	97.48%	\$ 11.99
Cumberland County	97.92%	\$ 34.86
Madison County	97.98%	\$ 20.41

How Low Wealth Funds Were Expended FY 2011-12



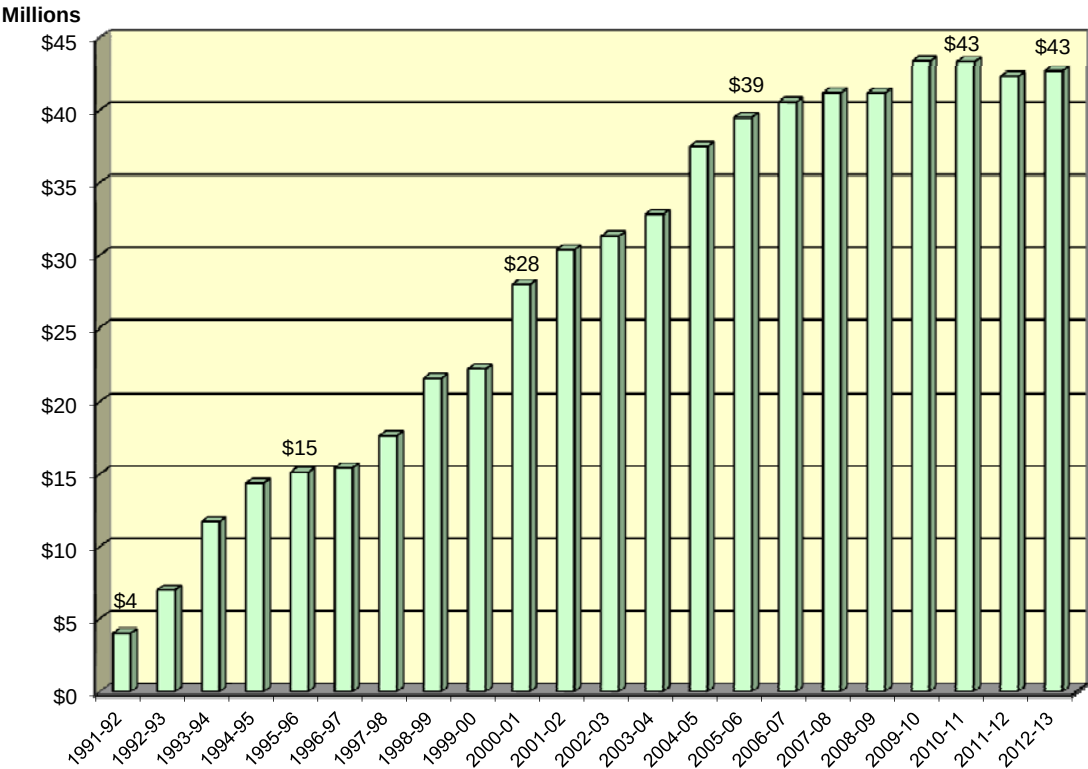
Small County Supplemental Funding

FY 2012-13 Counties



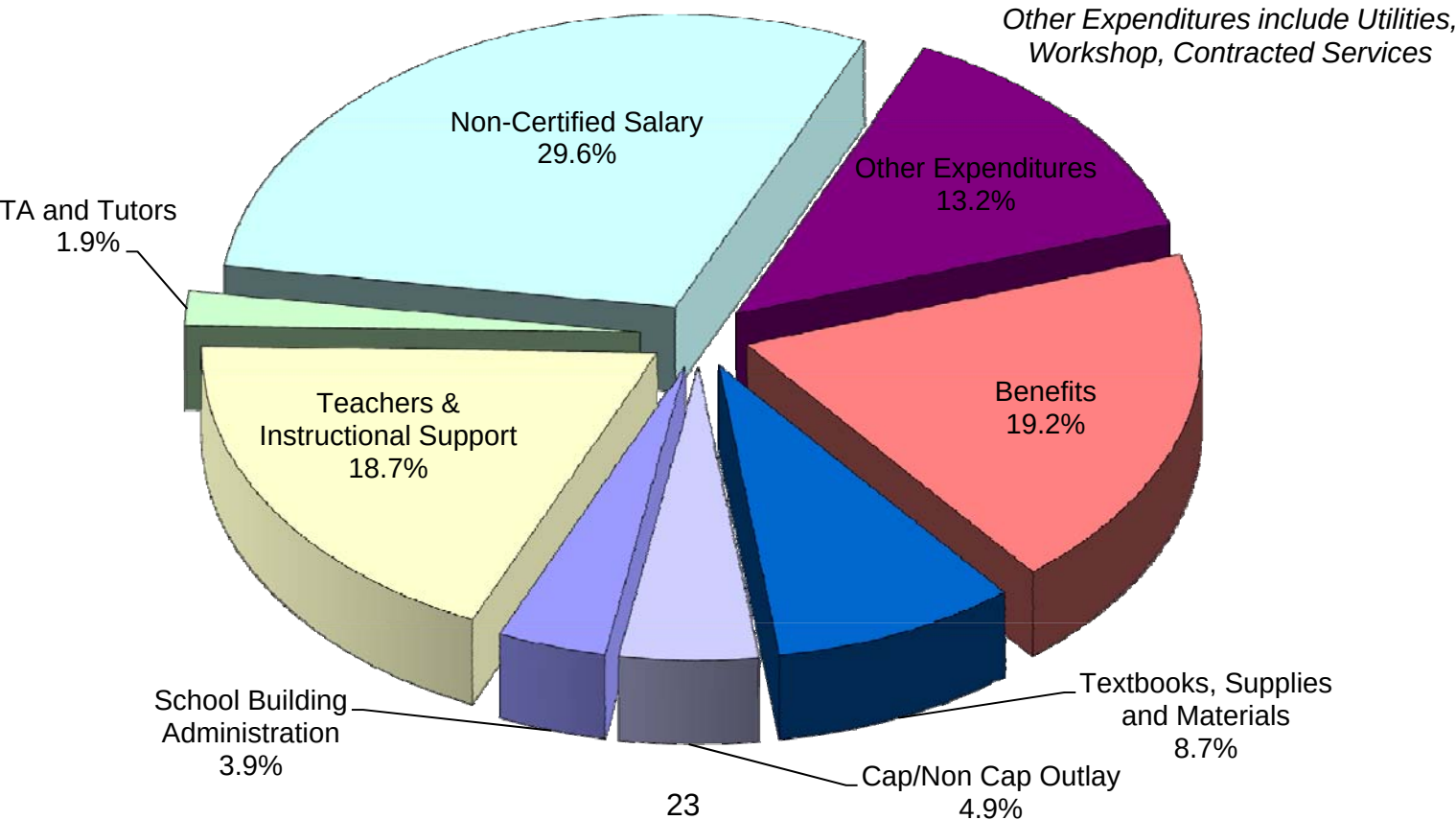
North Carolina provides supplemental funding to those county school systems with average daily membership (ADM) less than 3,175 or to county school systems with ADM between 3,175 and 4,000 whose county adjusted property tax base per student is below the state adjusted property tax base per student. In 2012-13, 27 County LEAs received small county supplemental funding. City LEAs are not eligible to receive funding.

Small County Supplemental Funding



In FY2012-13, eligible counties received between \$1.46 and \$1.94 million in Small County Supplemental funding. The per ADM dollars were between \$433 (Martin) and \$3,018 (Tyrrell).

How Small County Funds Were Expended FY 2011-12



Small County Supplemental Funding Total and Per ADM Funding FY 2012-13

LEA Name	Allotment	ADM	Per ADM
Tyrrell County	\$ 1,720,049	570	\$ 3,017.63
Hyde County	1,713,381	574	2,984.98
Jones County	1,940,526	1,128	1,720.32
Graham County	1,671,834	1,227	1,362.54
Clay County	1,551,851	1,337	1,160.70
Pamlico County	1,503,294	1,393	1,079.18
Alleghany County	1,460,219	1,446	1,009.83
Washington County	1,714,625	1,710	1,002.70
Perquimans County	1,539,461	1,769	870.24
Gates County	1,523,305	1,794	849.11
Camden County	1,590,449	1,942	818.97
Swain County	1,566,075	1,982	790.15
Mitchell County	1,556,806	2,071	751.72
Avery County	1,539,739	2,141	719.17
Northampton County	1,566,136	2,230	702.30
Yancey County	1,571,927	2,367	664.10
Chowan County	1,474,391	2,283	645.81
Polk County	1,480,066	2,300	643.51
Warren County	1,537,100	2,426	633.59
Bertie County	1,583,768	2,696	587.45
Madison County	1,478,456	2,548	580.24
Caswell County	1,540,533	2,858	539.02
Hertford County	1,558,342	3,047	511.43
Greene County	1,599,159	3,213	497.72
Ashe County	1,476,726	3,139	470.44
Anson County	1,645,912	3,744	439.61
Martin County	1,608,884	3,721	432.38
Total	\$ 42,713,014	Avg \$	\$ 943.88



E-RATE

NORTH CAROLINA

The E-Rate Program:

Governed by the FCC & Administered by the Universal Service Administrative Company

Provides 20%-90% discounts to schools & libraries for Telecommunications, Internet Access, Internal Connections and Basic Maintenance of Internal Connections.

Services Include:

Telephone service, Long Distance, Cell phone service, Voice mail service, WANs, Telecommunications Services, Internet access, Cabling/Wiring, Routers/Switches

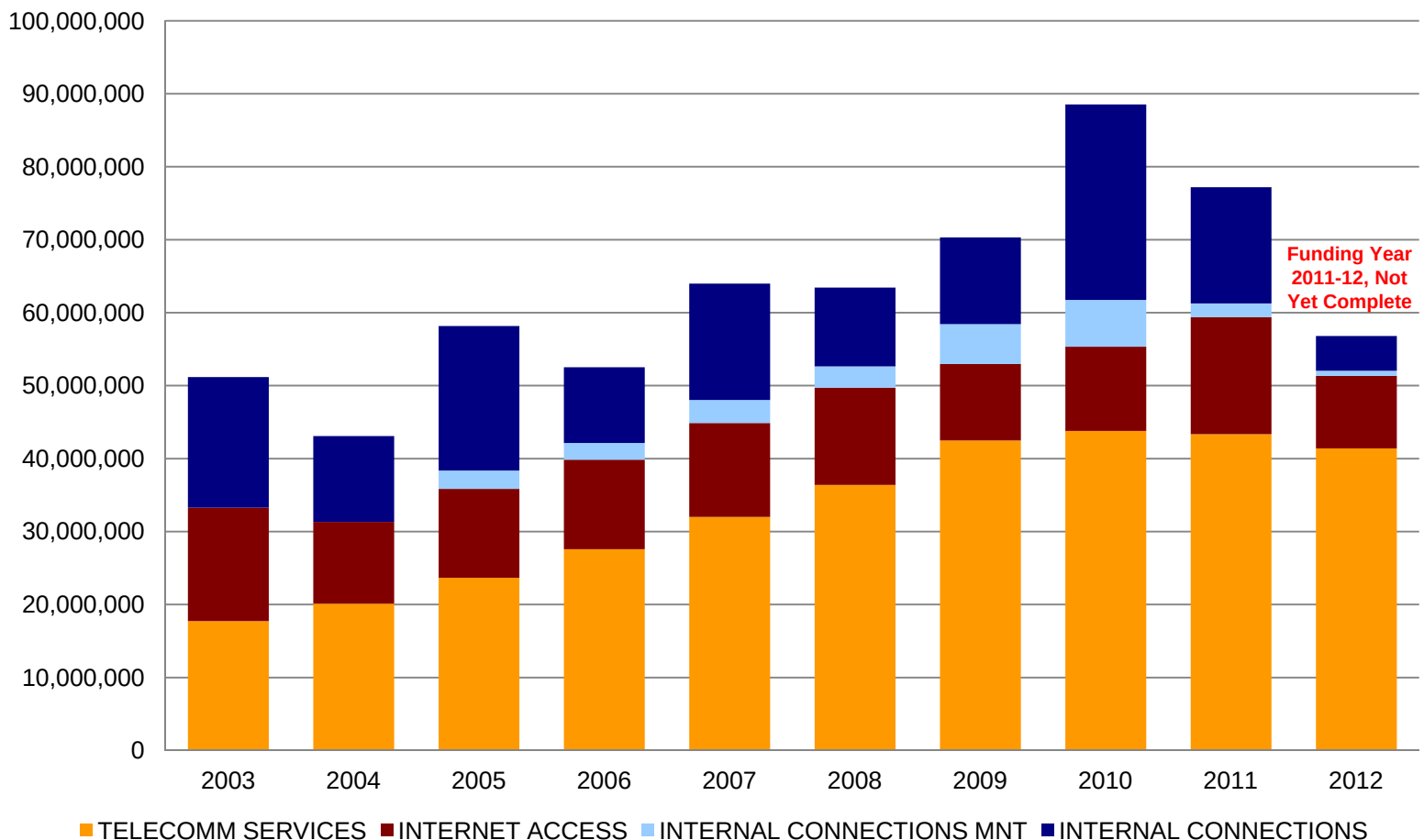
http://www.usac.org/res/documents/sl/pdf/ESL_archive/EligibleServicesList-2012.pdf

More Information:

DPI Website - <http://www.ncpublicschools.org/erate/>

Schools & Libraries Division - <http://www.universalservice.org/sl/>

North Carolina E-Rate Commitments Summary by Service Type



Capital Outlay for School Facilities

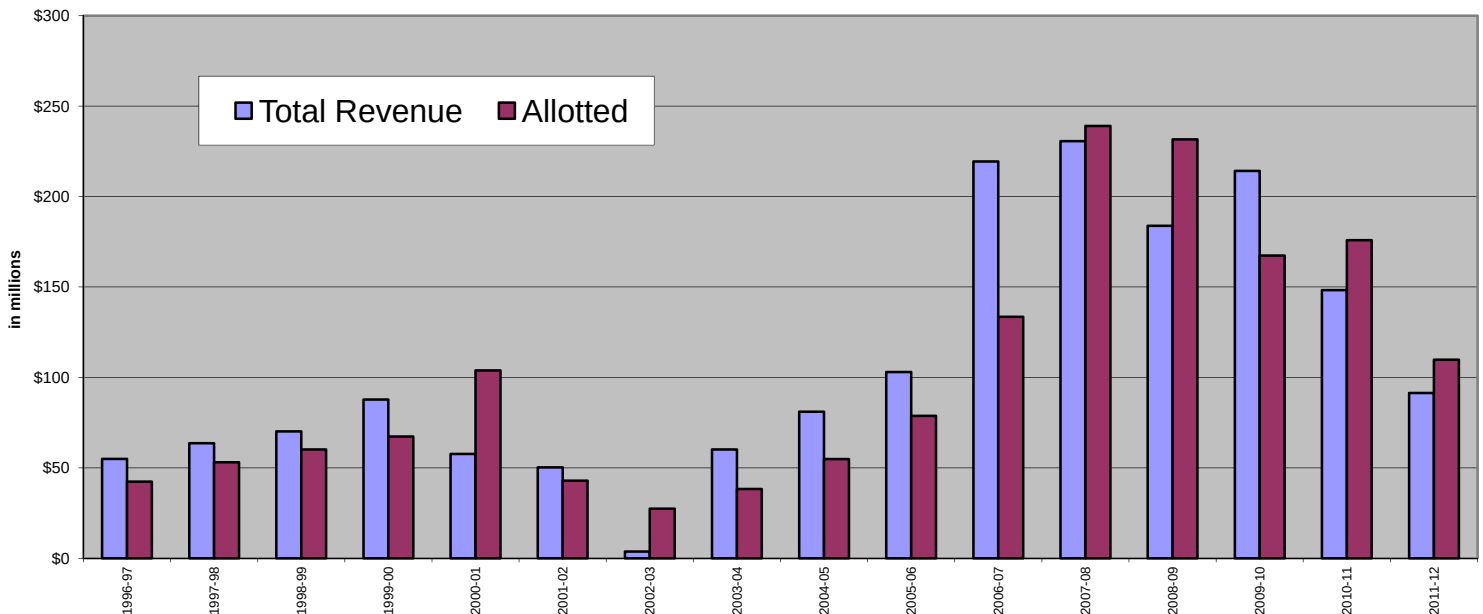
Fiscal Year	State Funds	Federal Funds	Local Funds	Totals
1995-96	\$13,446,202	\$92,012	\$518,058,988	\$531,597,202
1996-97	43,853,339	383,545	565,670,606	609,907,490
1997-98	240,704,605	215,489	526,754,170	767,674,264
1998-99	554,588,979	1,291,004	561,394,095	1,117,274,078
1999-00	518,506,820	8,272,720	627,673,264	1,154,452,804
2000-01	371,109,242	-	789,866,134	1,160,975,376
2001-02	170,257,261	517,911	842,184,297	1,012,959,469
2002-03	41,949,345	9,697,902	782,630,041	834,277,288
2003-04	46,210,952	9,528,857	752,716,127	808,455,936
2004-05	21,169,420	3,690,000	699,746,058	724,605,478
2005-06	13,842,620	1,790,866	1,003,523,533	1,019,157,019
2006-07	21,216,361	743,931	1,170,080,840	1,192,041,132
2007-08	18,024,915	212,220	939,450,137	957,687,272
2008-09	12,741,320	139,932	1,266,076,911	1,278,958,164
2009-10	13,211,971	2,370,296	415,228,020	430,810,287
2010-11	15,124,664	3,810,633	381,005,150	399,940,447
2011-12	8,709,622	12,880,229	330,098,767	351,688,618
Total	\$2,124,667,638	\$55,637,547	\$12,172,157,138	\$14,352,462,324

State Funding

Historically, the state of North Carolina has provided funding for salaries and operations to the local school systems and the local units have been responsible for providing facilities. The state had a School Facilities Appropriation in 1949 and has passed state school bonds in 1949, 1953, 1963, 1973, and 1996. Currently, North Carolina provides school construction aid to LEAs through the following programs:

Public School Building Capital Fund: Comprised of two portions, the ADM portion and the Lottery portion

1. (ADM Fund) 1987-present - Uses part of the corporate income tax revenues to provide counties with an allotment based on average daily membership. LEAs may let their allotments accrue until they are ready to use them for a specific project, at which time they must match (1:3) the amount from the state. The fund is currently about \$90 Million per year. The fund was frozen by the Legislature for 2002-03 because of state budget shortfalls. More than \$1 Billion has been allotted since 1987; the current fund balance to be allotted is over \$60 million dollars.



Capital Outlay for School Facilities Cont.

2. The Education Lottery. Lottery sales began in March of 2006. The General Assembly allocated \$140 million of anticipated proceeds for school construction for the 2008/2009 fiscal year to be distributed four times per year. Funds are divided among the LEA's based on (a) ADM as a percentage of state ADM, and (b) property tax rate as a percent of average property tax rate, statewide. Funding for school construction by lottery revenues differs from the PSBCF in two main areas: local matching funds are not required, and lottery funding cannot be used for "technology."

One-half of lottery sales are returned to the public as prizes; 15% is used for administrative expenses, and 35% is divided among the educational programs. Of the educational programs share, 40% is directed for school construction through the PSBCF.

Fiscal Year	Lottery Revenue	Interest Earned on Lottery Revenues	Interest on Disbursing Acct. Balance	Project Allotment Fiscal	Unallotted Balance
2006-07	102,384,597.00	1,913,370.25	233,909.70	42,299,649.67	62,232,227.28
2007-08	128,887,893.00	5,045,560.83	967,847.54	92,355,256.80	104,778,271.85
2008-09	123,821,061.00	4,988,190.54	954,669.58	139,871,080.32	94,671,112.65
2009-10	209,575,479.00	2,880,644.51	541,131.05	148,949,764.10	158,718,603.11
2010-11	145,805,007.00	1,705,969.62	361,964.22	157,152,512.01	149,406,166.94
2011-12	89,782,097.00	1,149,637.32	186,289.77	103,638,988.54	136,885,202.49
Totals	800,256,134.00	17,683,373.07	3,245,811.86	684,267,251.44	

Local Option Sales Tax

In addition to direct state aid, the state earmarks sales tax revenues for facilities improvements. State law allows counties to levy two one-half cent additions to the state sales tax (1983, 1986), 30 percent and 60 percent respectively goes to schools (all 100 counties levy the tax). The revenues are distributed to counties on a per capita basis and may be used for public school capital outlay or to retire indebtedness incurred by the county for these purposes. In many cases, this has allowed counties to fund local bond issues without raising property taxes. Recent legislation allows counties to levy either an additional one-quarter cent sales tax, or a Land Transfer Tax. There is no state capital funding for charter school facilities.

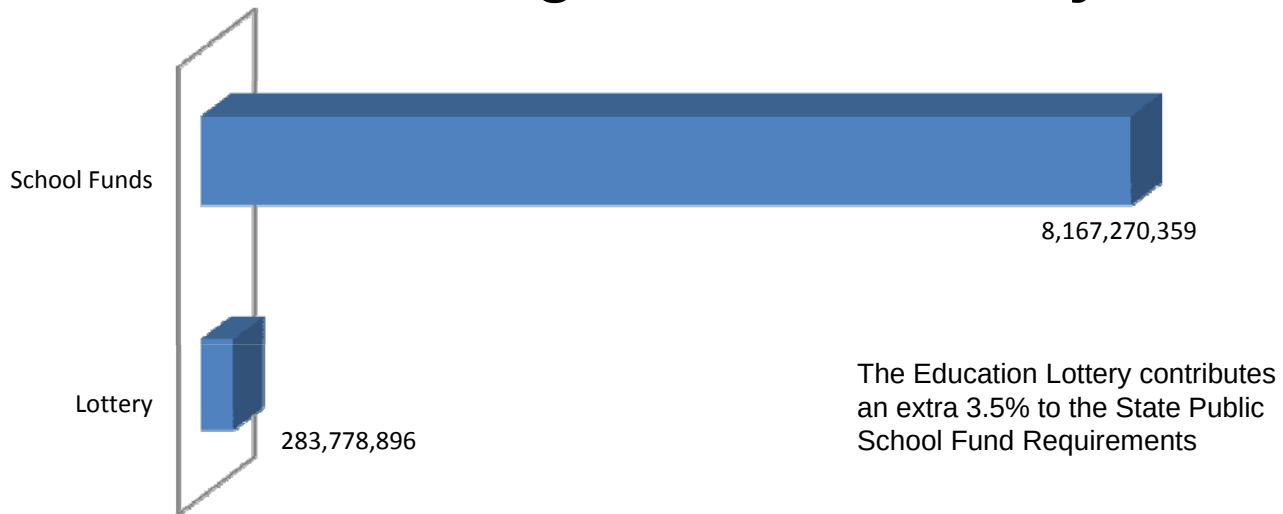
Federal Funding

There is no recurring federal funding for public school facilities. Federal funds have included FEMA emergency relief (hurricane) funds. A federal program that has provided school renovation funds is:

Qualified Zone Academy Bonds (QZABs) – a zero-interest bond program (IRS code) that requires a 10% match from a local business partner. QZABs authority issued to North Carolina

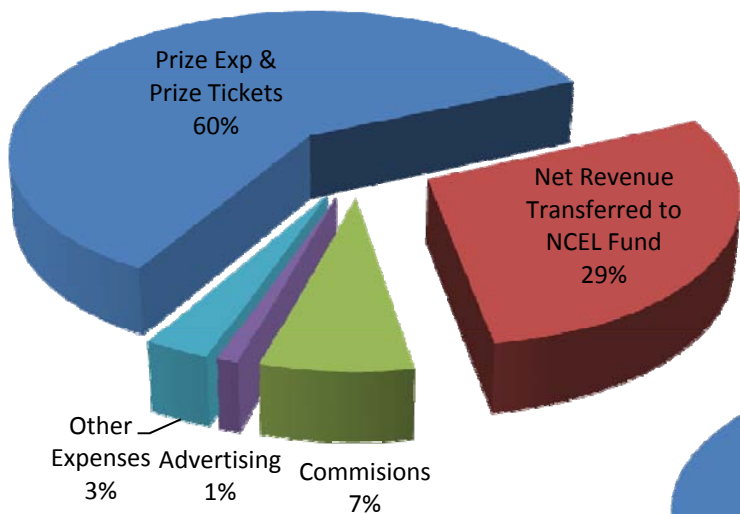
1998 - \$ 9,115,000	1999 - \$ 8,851,000
2000 - \$11,281,000	2001 - \$11,961,000
2002 - \$10,903,000	2003 - \$11,607,000
2004 - \$12,750,000	2005 - \$13,618,000
2006 - \$11,444,000	2007 - \$11,444,000
2008 - \$12,600,000	2009 - \$44,099,000
2010 - \$44,454,000	2011 - \$13,178,000
2012 - \$ 9,678,000	

Funding from the Lottery



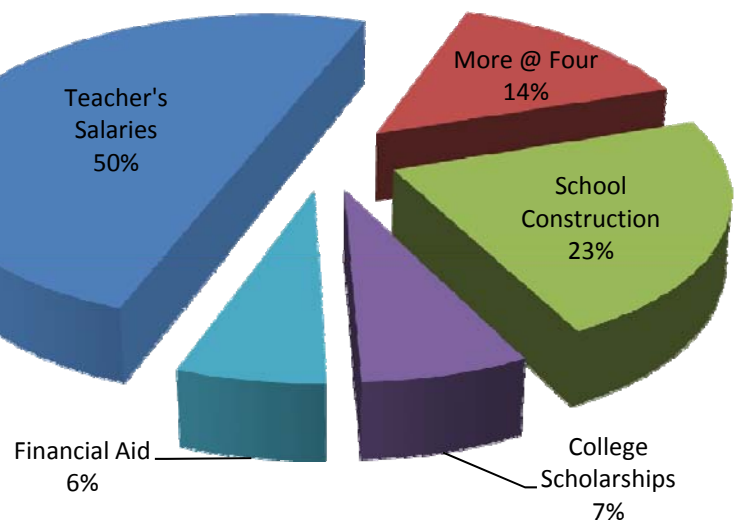
2011 – 12 Lottery Revenue Distributions

Allocation of Expenses FY 2012



Total Operating Revenue for the Education Lottery in FY 2012 was \$1,602,361,000.

Distribution



The total amount of funds received from the NC Education Lottery in FY 2012 was \$435,478,201

Charter Schools

1997-2013

The General Assembly passed legislation in 1996 which created Charter Schools in North Carolina. A Charter School in North Carolina is a public school operated by a group of parents, teachers, and/or community members as a semi-autonomous school of choice within a school district, operating under a "charter" with the State Board of Education. The final approval on all charters will be granted by the State Board of Education. Charter Schools are designed to give significant autonomy to individual schools and in turn to hold these schools accountable for results.

For 2012-13, North Carolina has 107 operating Charter Schools. Senate Bill 8 (2011) removed the cap of 100 Charter Schools. Charter Schools receive funding based on the average per pupil allocation in the local education agency from which the student came.

Charter Schools Status Report 1997 - 2013

Year	Approved	Opened	Closed	Relinq w/o Opening	Total in Operation	Planning Allotted ADM	% of Total ADM	Total State Funds Allotted
1996-97	34	0	0	0	0			
1997-98	31	34	1	0	33	4,106	0.3%	\$ 16,559,947
1998-99	28	26	3	0	56	5,572	0.4%	\$ 32,143,691
1999-00	17	23	4	4	75	10,257	0.8%	\$ 50,104,210
2000-01	9	15	4	3	86	14,230	1.1%	\$ 64,213,491
2001-02	3	8	3	2	91	19,492	1.5%	\$ 77,177,902
2002-03	2	5	3	1	93	19,832	1.5%	\$ 87,233,744
2003-04	4	2	2	0	93	21,578	1.6%	\$ 94,286,726
2004-05	2	4	0	0	97	24,784	1.8%	\$ 110,888,050
2005-06	1	2	3	0	96	28,733	2.1%	\$ 132,089,910
2006-07	7	1	4	0	93	29,170	2.0%	\$ 144,299,621
2007-08	2	7	2	0	98	30,892	2.1%	\$ 169,871,326
2008-09	0	2	3	0	97	34,694	2.3%	\$ 191,751,412
2009-10	3	0	1	0	96	38,449	2.6%	\$ 187,726,898
2010-11	1	3	0	0	99	41,314	2.8%	\$ 200,058,046
2011-12	9	1	0	0	100	44,829	3.0%	\$ 228,291,552
2012-13	24	8	1	1	107	48,795	3.3%	\$ 255,396,318
	177	141	34	11				

* as of 1/17/2013

~ Applications are not due until Feb; 156 Letters of Intent to Apply have been submitted to DPI for the 2014-2015 school year.

Flexibility of Charter Schools

Charter schools are provided both financial and educational flexibility

Financial

- Funds allotted in one dollar allotment.
- Not eligible for the construction funds from the lottery revenue or Local Education Agency.
- Not required to:
 - ⇒ pay personnel using the state salary schedules or salary ranges,
 - ⇒ participate in the State Employees Retirement System or State Major Medical Plan,
 - ⇒ purchase on state contract or participate in e-procurement.

Educational

- Not held to:
 - ⇒ Class size maximums,
 - ⇒ 1,025 instructional hours requirement (only required to have 185 instructional days),
 - ⇒ Not Required to request a waiver to start before August 25th or end after June 10th.
 - ⇒ Licensing standards of teachers (required to have 75% of the teachers licensed in grades K-5 and 50% in 6-12).

Charter School Full-Time Personnel FY 2012-13

Certified Personnel:	State	Federal	Local	Total
Central Office Admin.	127	9	14	150
Principals	99	1	6	106
Assistant Principals	92	3	5	100
Teachers	2,914	188	101	3,203
Instructional Support	201	28	16	245
Total Certified	3,433	229	142	3,804

Non Certified Personnel:

Teacher Assistants	651	62	24	737
Technicians	41	0	2	43
Clerical, Secretarial	221	0	17	238
Other Non Certified	191	11	12	214
Total Non Certified	1,104	73	55	1,232

Total 2013

Percent of Total

4,537	302	197	5,036
90.1%	6.0%	3.9%	100.0%

Teachers, Teacher Assistants, and Instructional Support Personnel make up 83.1% of all personnel.

School Building Administrators (Principals & Assistant Principals) make up 4.1% of all personnel.

Central office Administrators make up 3.0% of all personnel.

Other Nonprofessionals (Clerical, Technicians, Service Workers, etc...) make up the remaining 9.8% of personnel.

Charter School Expenditures

FY 2011-12

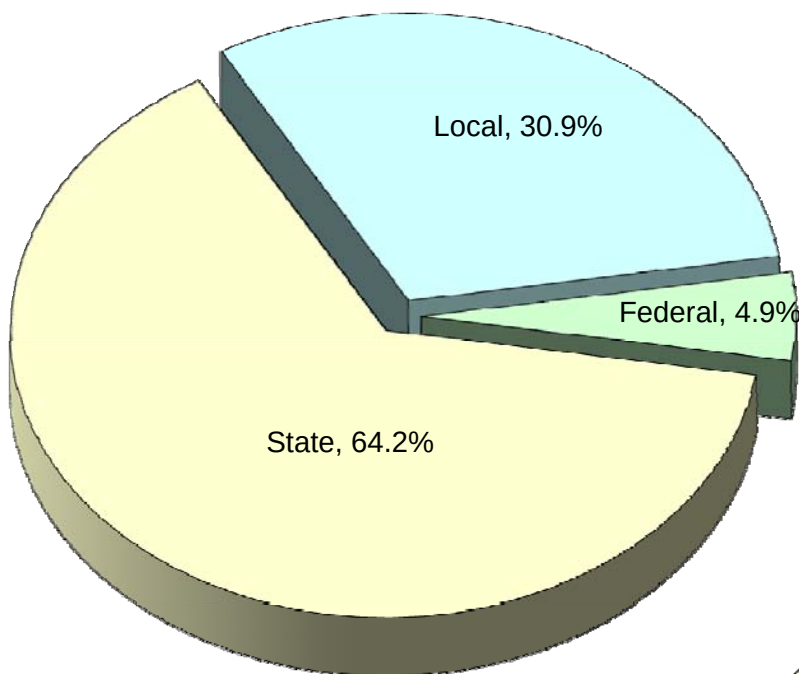
State funds are allotted based on the number of students in ADM at the Charter School. State funds may be used for any purpose other than purchasing a building.

Most federal funds are targeted towards a specific population such as Low Income Children or Handicapped Children.

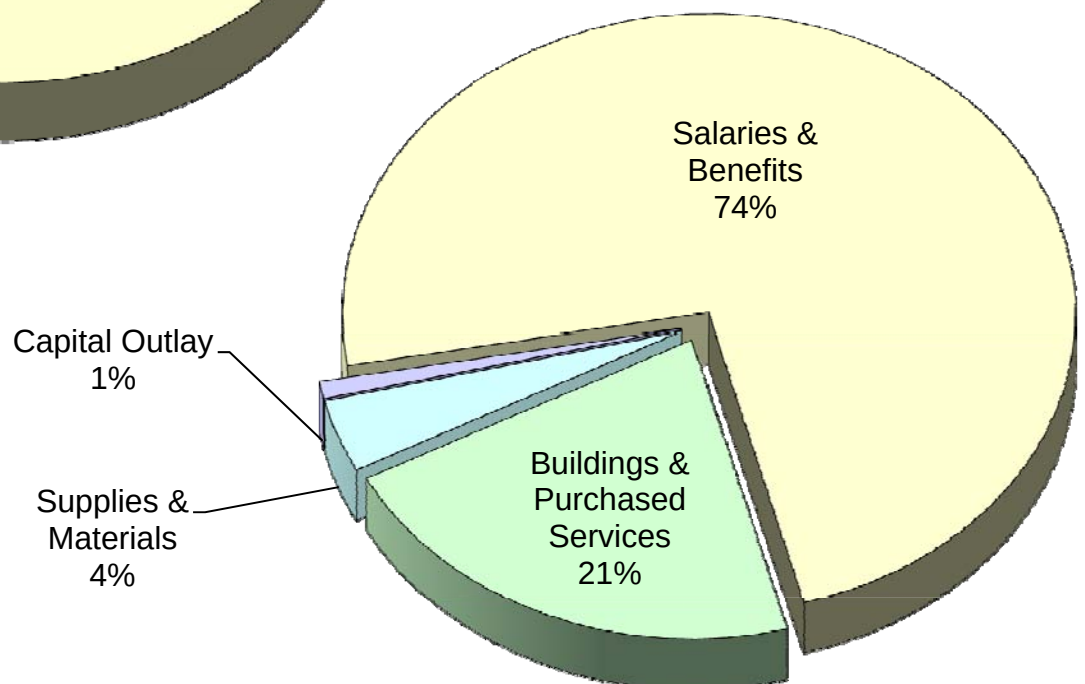
Local funds are given to Charter Schools based on the local current expense appropriation in the county in which the student resides. Local funds may be used for any purpose.

Source of Expenditures

FY 2011-12



How State Funds Were Expended FY 2011-12



Funded ADM and Total State Funding FY 2012-13

CS #	Charter School Name	Funded ADM	Total State Funding	Funding Per ADM
01B	River Mill	595	2,895,203	4,866
01C	Clover Garden School	498	2,496,280	5,013
01D	The Hawbridge School	177	964,521	5,449
06A	Grandfather Academy	32	289,143	9,036
06B	Crossnore Academy	91	613,631	6,743
07A	Washington Montessori	309	1,752,542	5,672
10A	Charter Day School	924	4,677,814	5,063
11A	Evergreen Community Charter	408	2,179,491	5,342
11B	ArtSpace Charter School	383	1,999,381	5,220
11K	Francine Delany School	163	855,988	5,251
12A	New Dimensions	195	1,066,102	5,467
13A	Carolina International School	553	2,629,037	4,754
16A	Cape Lookout Marine HS	54	372,333	6,895
16B	The Tiller School	189	988,346	5,229
19A	Chatham Charter	328	1,672,453	5,099
19B	The Woods Charter School	501	2,654,437	5,298
20A	Learning Center	186	1,103,066	5,930
24N	Columbus Charter School	725	4,218,121	5,818
26B	Alpha Academy	379	1,794,155	4,734
27A	Water's Edge Village School*	15	86,680	5,779
32A	Maureen Joy	370	1,905,658	5,150
32B	Healthy Start Academy	408	2,011,062	4,929
32C	Carter Community	283	1,452,160	5,131
32D	Kestrel Heights School	987	4,988,245	5,054
32H	Research Triangle Charter Academy	645	3,237,927	5,020
32K	Central Park School for Children	299	1,600,379	5,352
32L	Voyager Academy	1,235	6,195,073	5,016
32M	Global Scholars Academy	128	603,278	4,713
32N	Research Triangle High School*	149	753,783	5,059
33A	North East Carolina Preparatory School*	380	2,258,575	5,944
34B	Quality Education Academy	406	2,138,935	5,268
34C	STEAM Academy of Winston Salem	102	525,711	5,154
34D	Carter G. Woodson	480	2,630,640	5,481
34F	Forsyth Academy	713	3,767,314	5,284
34G	Arts-Based Elementary	372	1,918,320	5,157
35A	Crosscreek Charter School	179	1,104,751	6,172
36B	Piedmont Community	1,203	5,722,800	4,757
36C	Mountain Island Charter School	800	3,775,359	4,719
41B	Greensboro Charter Academy	720	3,499,378	4,860
41C	Guilford Preparatory Academy	216	1,116,273	5,168
41D	Phoenix Academy	316	1,538,702	4,869
41F	Triad Math and Science Academy	591	2,906,078	4,917
41G	Cornerstone Academy*	500	2,479,555	4,959
41H	The College Preparatory & Leadership Academy of High Point*	107	533,445	4,985
45A	The Mountain Community School	180	901,853	5,010
49B	American Renaissance Middle School	524	2,770,477	5,287
49D	Success Institute	102	523,255	5,130
49E	Pine Lake Preparatory	1,598	7,751,237	4,851
50A	Summit Charter	195	1,109,430	5,689
51A	Neuse Charter School	626	3,155,863	5,041
54A	Children's Village Academy	202	1,100,364	5,447
54B	Kinston Charter Academy	302	1,643,165	5,441
55A	Lincoln Charter School	1,542	7,600,498	4,929
58B	Bear Grass*	256	1,545,133	6,036

* - Denotes First Year Charter

Funded ADM and Total State Funding FY 2012-13

CS #	Charter School Name	Funded ADM	Total State Funding	Funding Per ADM
60A	Community Charter School	141	732,152	5,193
60B	Sugar Creek Charter School	875	4,147,612	4,740
60C	Kennedy Charter Public	356	1,809,753	5,084
60D	Lake Norman Charter Sch.	1,592	7,532,181	4,731
60F	Metrolina Regional Scholars' Academy	361	1,700,940	4,712
60G	Queen's Grant	1,286	6,326,916	4,920
60H	Crossroads Charter High	232	1,153,745	4,973
60I	Community School of Davidson	1,189	5,995,923	5,043
60J	Socrates Academy	606	2,956,878	4,879
60K	Charlotte Secondary School	237	1,224,750	5,168
60L	KIPP:Charlotte	336	1,784,457	5,311
60M	Corvian Community School*	88	415,493	4,722
63A	The Academy of Moore County	195	1,043,095	5,349
63B	STARS	304	1,602,530	5,271
64A	Rocky Mount Charter Public School	1,160	6,204,311	5,349
65A	Cape Fear Center for Inquiry	376	1,930,284	5,134
65B	Wilmington Preparatory	128	645,042	5,039
66A	Gaston College Preparatory	808	5,486,924	6,791
68A	Orange Charter School	225	1,300,940	5,782
68N	PACE Academy	125	793,245	6,346
69A	Arapahoe Charter School	431	3,051,290	7,080
73A	Bethel Hill	377	2,013,079	5,340
73B	Roxboro Community School	643	3,264,403	5,077
78A	CIS Academy	109	728,439	6,683
79A	Bethany Community Middle School	223	1,289,003	5,780
81A	Thomas Jefferson Classical Academy	1,199	6,349,081	5,295
81B	Lake Lure Classical Academy	309	1,685,143	5,454
84B	Gray Stone Day School	368	1,886,285	5,126
86T	Millennium Charter Academy	486	2,855,641	5,876
87A	Mountain Discovery	174	1,170,011	6,724
88A	Brevard Academy	201	1,087,881	5,412
90A	Union Academy	1,209	5,914,779	4,892
91A	Vance Charter School	545	3,382,070	6,206
91B	Henderson Collegiate	298	1,802,966	6,050
92B	Exploris Middle School	203	1,017,923	5,014
92D	Magellan Charter	401	2,035,359	5,076
92E	Sterling Montessori	584	2,846,225	4,874
92F	Franklin Academy	1,619	7,626,466	4,711
92G	East Wake Academy	1,114	5,541,044	4,974
92K	Raleigh Charter High School	540	2,546,648	4,716
92L	Torchlight Academy	411	2,156,593	5,247
92M	PreEminent Charter School	586	2,888,456	4,929
92N	Quest Academy	142	689,217	4,854
92P	Southern Wake Academy	173	974,084	5,631
92Q	Hope Elementary School	115	646,722	5,624
92R	Casa Esperanza	383	1,912,182	4,993
92S	Endeavor Charter School	473	2,340,310	4,948
92T	Triangle Math and Science Academy*	272	1,305,297	4,799
93A	Haliwa-Saponi Tribal	171	1,162,416	6,798
95A	Two Rivers Community	177	1,030,944	5,825
96C	Dillard Academy	195	1,127,445	5,782
97D	Bridges	135	833,472	6,174
98A	Sallie B. Howard School	818	4,395,730	5,374
107	Totals	49,525	256,417,175	5,178

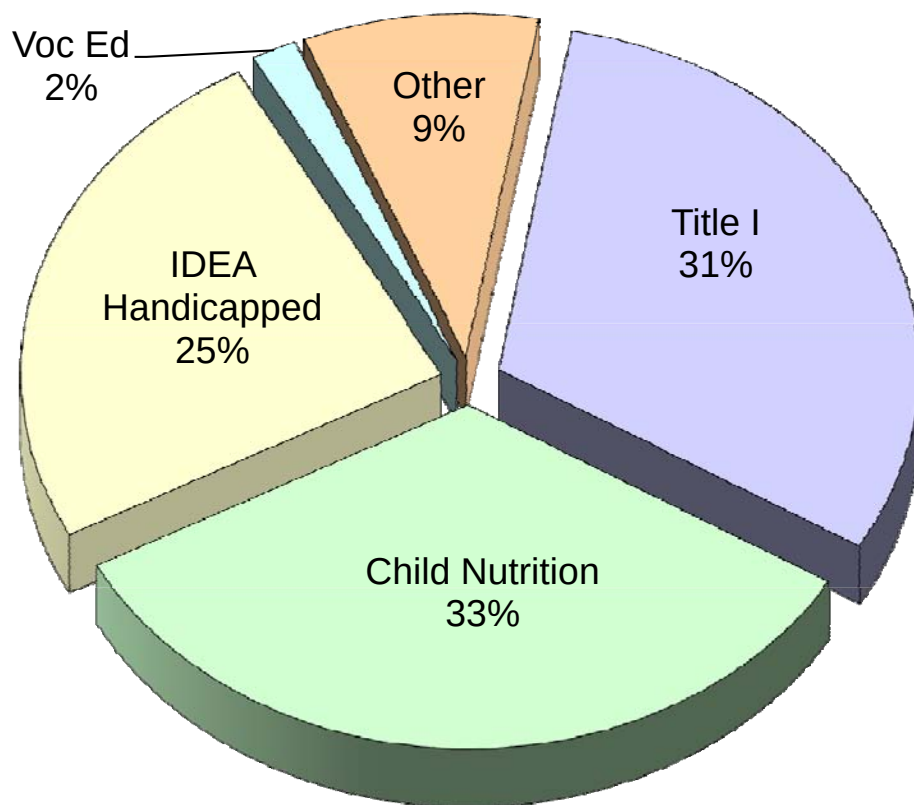
* - Denotes First Year Charter

Federal Funds

Funding Our
Public Schools

Federal Funds Received (incl Charters)

FY 2012-13



Most federal funds are targeted towards a specific population such as Low Income Children or Handicapped Children.

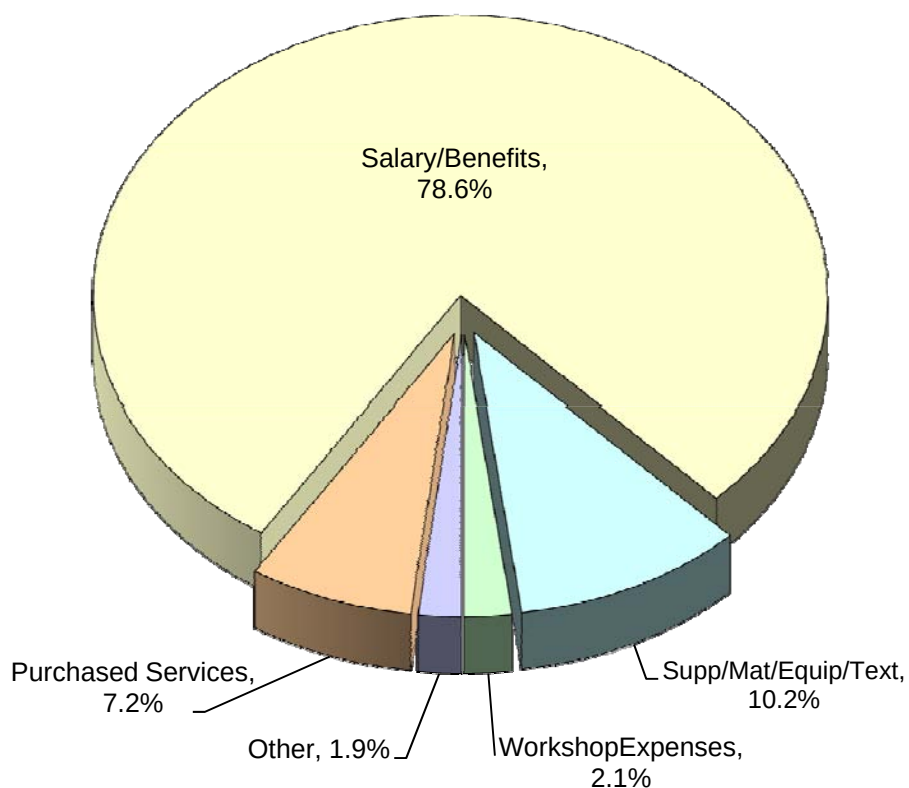
These funds must be used for the purposes allotted and cannot be transferred.

Federal Fund Expenditures

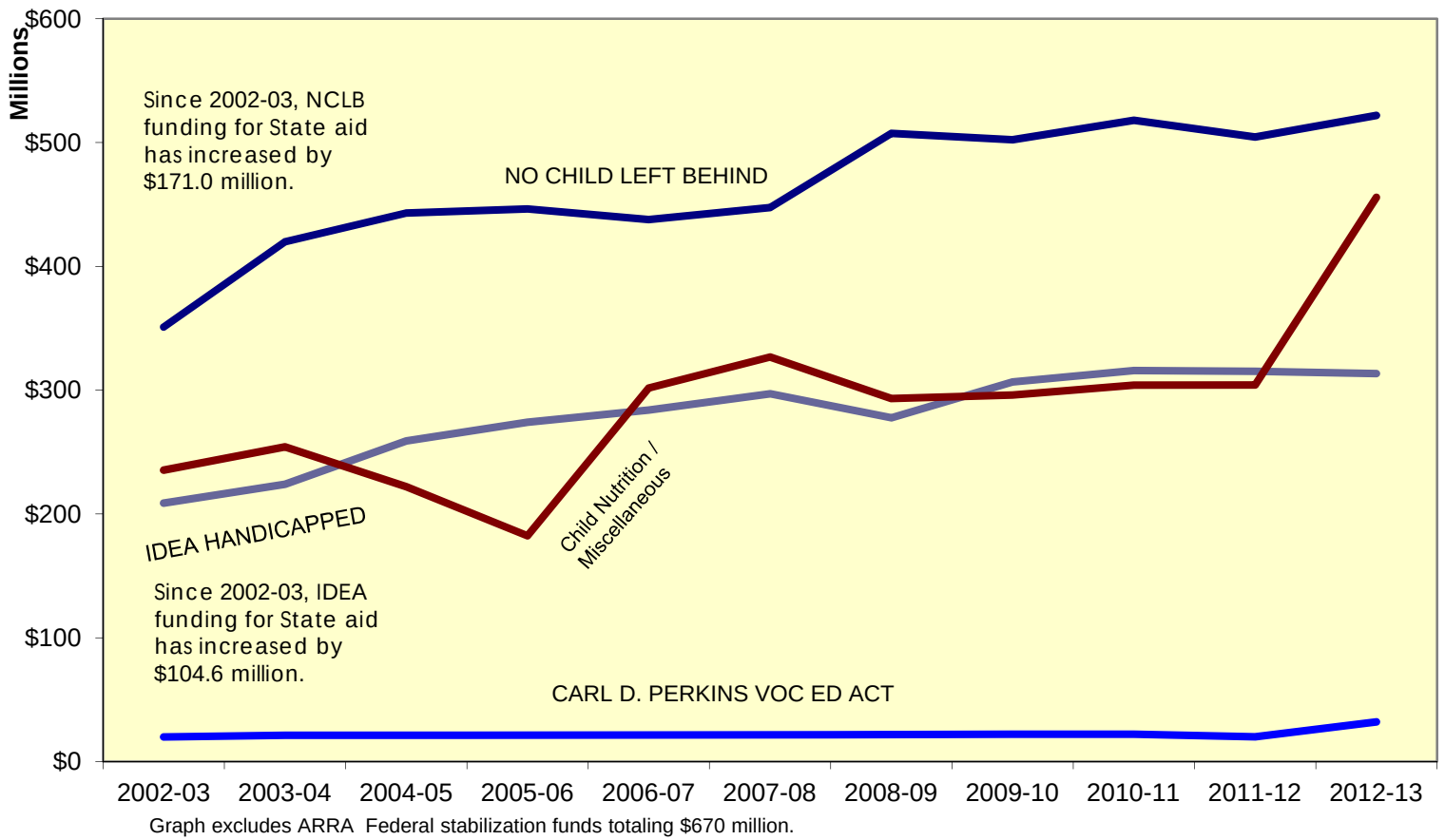
FY 2011-12

In 2011-12, 10.7% of total personnel were paid from federal funds. This equates to 10,259 teachers and instructional support, 369 central office administrators; There were 5,237 teacher assistants, and 2,785 other non-certified personnel.

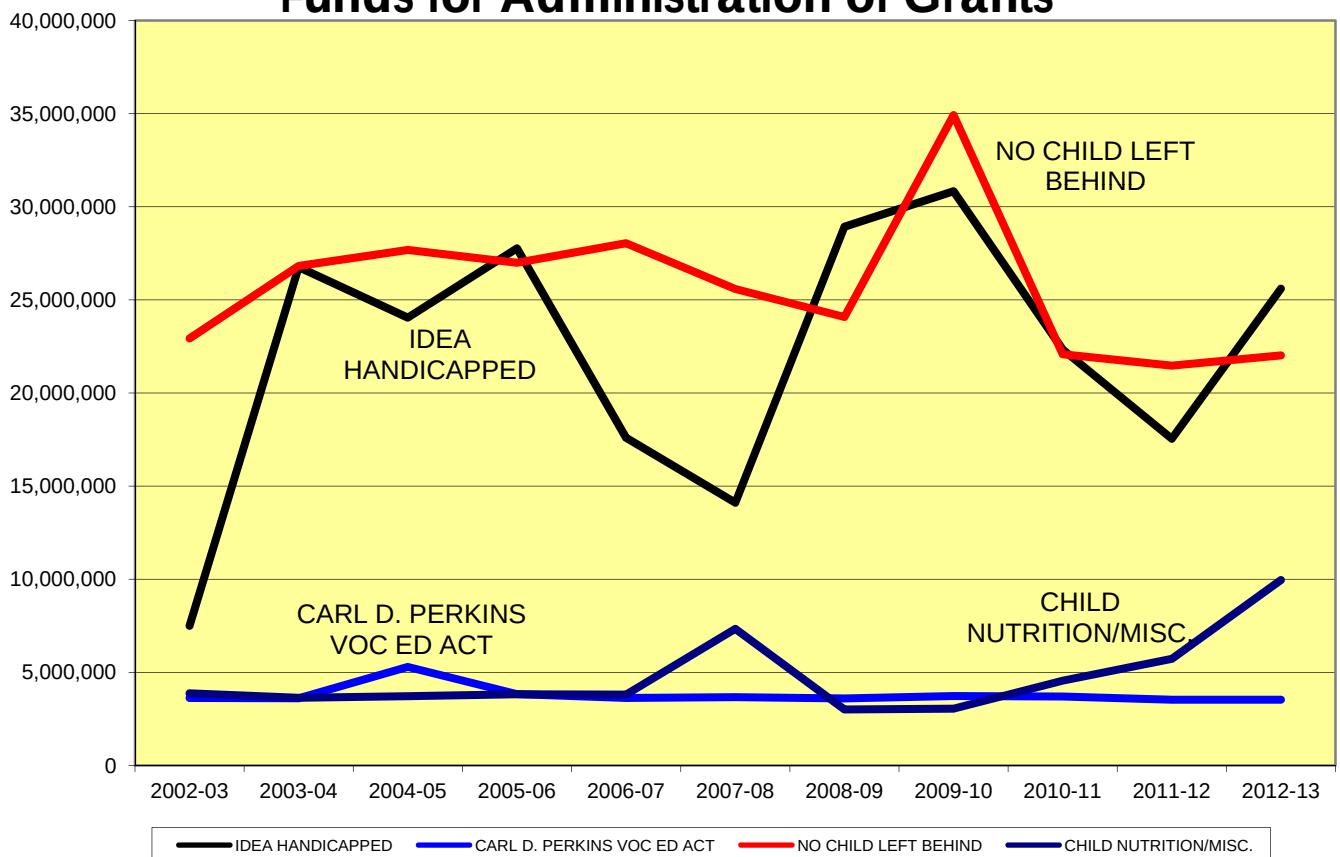
Other includes Utilities, Insurance, Transportation Costs, and Indirect Costs.



Funds for State Aid



Funds for Administration of Grants



Race to the Top

The Race to the Top competitive grants will be awarded to encourage and reward states that are "creating the conditions for education innovation and reform; implementing ambitious plans in four education reform areas and achieving significant improvement in student outcomes."

States will use the funds to create comprehensive strategies for addressing four key areas of reform that drive school improvement:

- Adopting international benchmarked standards and assessments that prepare students for success in college and workplace.
- Recruiting, developing, retaining and rewarding effective teachers and principals.
- Building data systems that measure student success and inform teachers and principals how they can improve their practices.
- Turning around the lowest-performing schools.

North Carolina is one of only 12 recipients of the 2010 federal Race to the Top (RttT) grants, bringing nearly \$400 million to the state's public school system for use over the next four years. RttT is a collaborative effort across the North Carolina Department of Public Instruction, and guided by the State Board of Education and the Governor's Education Transformation Commission

Approximately one-half of the grant is earmarked for distribution to local education agencies for their own initiatives that support the North Carolina RttT plan. Local RttT funds will be distributed in accordance with federal Title I eligibility to districts and to charter schools once their Scope of Work application has been approved by the NC Department of Public Instruction.

The ultimate goal of Career & College: Ready, Set, Go! (North Carolina's Race to the Top initiative) is for every NC student to graduate from high school ready for a career, two- or four-year college, or technical training, and prepared to be productive.

For More information visit:

- www.ncpublicschools.org/rttt/
- www.racetothetop.nc.gov/

Note: In FY 2011 LEAs received \$200 million in Race to the Top Grants. \$100.9 million remained unspent and available for FY 2013.

2012-2013 Federal Grants Received

	<u>State Aid</u>	
<u>No Child Left Behind</u>		
Title I College and Career Ready Students	\$ 380,025,246	
Title I College and Career Ready Students School Improver	15,187,061	
School Improvement Grants	13,676,209	Est.
Migrant	4,843,509	
Improving Teacher Quality	50,672,619	
English Language Acquisition	14,611,972	
21st Century Community Learning Centers	28,863,685	
Rural and Low-Income Schools	5,898,996	
Education for Homeless Children and Youth	1,381,008	
Total NCLB	\$ 521,946,612	
<u>Individuals With Disabilities Education Act</u>		
Special Education - Grants to States	303,404,868	
State Program Improvement	1,486,542	
Special Education - Preschool Grants	8,484,164	
Total IDEA	\$ 313,375,574	
<u>Perkins IV</u>		
Career and Technical Education Basic	20,154,947	
Transfer to Community Colleges	11,839,185	
Transfer to Dept. of Juvenile Justice and Delinquency	50,000	
Total Perkins	\$ 20,154,947	
<u>Miscellaneous</u>		
Abstinence Education	809,762	
Child Nutrition Food Services	450,000,000	Est.
Child Nutrition Fresh Fruits and Vegetables	3,356,930	
Total Miscellaneous	\$ 454,166,692	

N.C. ELEMENTARY AND SECONDARY EDUCATION FEDERAL GRANTS 2012-2013 (Note 1)				
<u>Grant Name</u>	<u>Performance Period</u>	<u>Budget Period</u>	<u>Grant Type</u>	<u>Brief Description</u>
21st Century Community Learning Centers	27 months	12 months	State App./Comp	Funds to provide quality, accessible, after-school, weekend, or summer programs for children, youth, and their families.
Abstinence Education	12 months	12 months	State App./Comp	Funds are to enable states to provide Abstinence Education, mentoring, counseling, and adult supervision to promote abstinence from sexual activity, with a focus on those groups which are most likely to bear children out-of-wedlock.
Advanced Placement Fee	12 months	N/A	State Application	Funds to reimburse part or all of the cost of AP test fees for low income students.
Career and Technical Education	27 months	12 months	State Plan/Direct	Funds to expand, improve, and develop quality programs to enhance future workforce skills.
Child Nutrition Prog. Fresh Fruits & Veg.	12 months	12 months	State Plan	Funding for School Fresh Fruits and Vegetables.
Child Nutrition Programs	12 months	12 months	State Plan	Funding for School Lunch, Special Milk, and School Breakfast.
Education for Homeless Children & Youth	27 months	12 months	State App./Comp	Funds to ensure that homeless children and youth have greater access to the appropriate educational services provided under Federal, State, and local law.
English Language Acquisition	27 months	27 months	State App./Direct	Funds to assist school districts in teaching english to limited english proficient students and in helping these students meet the
Head Start Collaboration	12 months	60 months	State Application	Funds are used to assist North Carolina in meeting the needs of young children and their families. While North Carolina initiatives such as More At Four Pre-K Program, Smart Start, Healthy Choice and Five-Star Rated
Healthy Schools/HIV	12 months	N/A	State Application	Funds to train teachers on integrating HIV education into school health education.
IDEA Deaf/Blind	12 months	60 months	State Application	State Admin. - To coordinate programs for children to age 22 that are both deaf and blind. Some funds are contracted.
IDEA Special Education - Grants to States	27 months	27 months	State Plan/Direct	Special education programs for handicapped children ages 3 to 21.
IDEA Special Education - Preschool	27 months	27 months	State Plan/Direct	Special education programs for handicapped children ages 3 to 5.
IDEA State Improvement	12 months	60 months	State Application	The objective of this grant is to assist States in reforming and improving their systems for personnel preparation and professional development of individuals providing early intervention, educational and transition services to improve results for childre
Improving Teacher Quality	27 months	27 months	State App./Direct	Funds to prepare, train, and recruit high quality teachers. Also allows LEAs to reduce class size.

N.C. ELEMENTARY AND SECONDARY EDUCATION FEDERAL GRANTS 2012-2013 (Note 1)				
<u>Grant Name</u>	<u>Performance Period</u>	<u>Budget Period</u>	<u>Grant Type</u>	<u>Brief Description</u>
NAEP State Coordinator	12 months	N/A	Direct	State Admin: Funds to support a position which will serve as a liaison between the state education agency and the National Center for Education Statistics.
Rural Low Income School	27 months	27 months	State App./Comp	Funds to address the unique needs of rural school districts that frequently lack the resources needed to compete effectively for federal competitive grants, and receive formula grant allocations in amounts too small to be effective in meeting their intend
State Assessment and Accountability	27 months	N/A	State Application	State Admin: Funds to assist with establishing a state system of standards and assessment.
Statewide Longitudinal Data System Program	36	12	State App./Comp	Funds used to enable State educational agencies to design, develop, and implement statewide, longitudinal data systems to efficiently and accurately manage, analyze, disaggregate, and use individual student data, consistent with the Elementary and Section
Title I College and Career Ready Students	27 months	27 months	State App./Direct	Supplemental funds to provide special help to educationally deprived children, ages 5 to 17 from low income families.
Title I College and Career Ready Students School Improvement	27 months	27 months	State App./Direct	Supplemental funds to provide special help to educationally deprived children, ages 5 to 17 from low income families.
Title I - Migrant Education	27 months	27 months	State App./Direct	Funds to meet the educational needs of migratory children.
Title I - Migrant Consortium	27 months	27 months	State App./Direct	Funds provide incentive grants to State educational agencies that participate in consortia with another SEA or other appropriate entity to improve the delivery of services to migrant children whose education is interrupted.
Title I - Neglected and Delinquent	27 months	27 months	State App./Direct	Funds for neglected and delinquent children under 21 in state institutions or attending community day programs.
Title I School Improvement	27 months	27 months	State App./Direct	Funds are used to help States and LEAs address the needs of Title I schools in improvement, corrective action, and restructuring.
Troops To Teachers	27 months	N/A	State Application	State Admin: Funds to attract retired military personnel to a second career as public school teachers.