

2022-2023

ALLOTMENT POLICY MANUAL



**PUBLIC SCHOOLS OF NORTH CAROLINA
STATE BOARD OF EDUCATION
DEPARTMENT OF PUBLIC INSTRUCTION
FINANCIAL AND BUSINESS SERVICES
DIVISION OF SCHOOL BUSINESS**



www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/allotments--funding-public-school-units

General Information

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DEFINITION OF TERMS

- 1) **ABCs Flexibility** – In [SL 1995-450](#), the General Assembly approved a law to give the State Board of Education the authority to implement the ABCs. The ABCs assign more responsibility at the school building level and allow schools flexibility to use funds as they are most needed at the school. Budget flexibility is codified in G.S. 115C-105.25
- 2) **Add-on** - Categorical dollars allocated over and above the base allotment.
- 3) **Allotted ADM** - The higher of the first two months total projected ADM for the current year or the higher of the first two months total prior year ADM.
- 4) **Apportionment of Local Funds** - The certification of the distribution of local current expense funds by the State Board of Education when there is more than one LEA in a county.
- 5) **Average Daily Membership (ADM)** - The sum of the number of days in membership for all students in an individual public school unit, divided by the number of school days in the term.
- 6) **CFDA #** - A number that is assigned to each federal program for which a grant is awarded. [The Catalog of Federal Domestic Assistance](#) contains information for all federal grant programs such as grant authorization, who is eligible to apply, etc.
- 7) **Carryover** – Funds appropriated but unspent in the first fiscal year that are brought forward for expenditure in the succeeding fiscal year. Most allotments that carry over must be approved annually by the State Budget Office.
- 8) **Categorical Allotments** – An allotment with a formula that weights the distribution of funds based on student characteristics or public school unit demographics. Local school systems may use this funding to purchase all services necessary to address the needs of a specific population or service. 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: At Risk Student Services, Transportation, and Children with Disabilities.
- 9) **Charter Schools** – A public school operated by a nonprofit board or certain municipalities as a semi-autonomous school of choice within a school district operating under a "charter" with the State Board of Education. The final approval of all charters is granted by the State Board of Education. Charter schools are designed to give significant autonomy to individual schools and in turn hold these schools accountable for results. See G.S. 115C-218
- 10) **Child with a Disability** -- A child evaluated as having autism, deaf-blindness, deafness, developmental delay, hearing impairment, intellectual disability, multiple disabilities, orthopedic impairment, other health impairment, serious emotional disability, specific learning disability, speech or language impairment, traumatic brain injury or visual impairment who, by reason of the disability, needs special education and related services.
- 11) **Dollar Allotments** – An allotment with a formula based on dollars per ADM. Local school systems can hire employees or purchase goods for a specific purpose, but the local system must operate within the allotted dollar amount.
Examples: Textbooks, Central Office Administration, Teacher Assistants.
- 12) **Dollars per ADM** - LEA's Initial Allotments divided by the allotted ADM for that LEA. Other public school units receive an amount equal to the state funded dollars per ADM for the LEA in which the school is located or (for new charters) in which the student was

previously enrolled.

- 13) **Dollars per Child Count** - Funds generated for school-aged children with special needs divided by the LEA's April 1 total child count (not capped). Other public school units receive an amount equal to the LEA's state funded dollars per child count for the LEA in which the child was identified.
- 14) **ECATS** -- Every Child Accountability Tracking System. ECATS is comprised of three integrated modules accessed from a single user interface based upon role security: Special Education, Service Documentation and Multi-Tiered System of Support modules. ECATS also contains a combined set of data or Operational Data Store (ODS) from the three modules. ECATS will have direct data interface with the Student Information System PowerSchool and other NCDPI enterprise systems.
- 15) **ESEA** - Elementary and Secondary Education Act of 1965. This act was amended by the No Child Left Behind Act of 2001 and the Every Student Succeeds Act of 2015.
- 16) **Full-time Equivalent** (FTE) - Sum of part-time positions employed when added together equate to a full-time position used within a classification.
Example: Two one-half time positions equate to one full-time equivalent position.
- 17) **Grade Level Proficiency** – Performance standards, called achievement levels, are one way that scores on the North Carolina End-of-Course Tests are reported. Students that score at or above Level III are considered to be grade level proficient and at or above Level IV are considered to be on track for career and college readiness. Listed below are the five achievement levels:
 - a) Level I: Students performing at this level have a limited command of grade-level knowledge and skills in the tested content areas.
 - b) Level II: Students performing at this level have a partial command of grade-level knowledge and skills in the tested content areas.
 - c) Level III: Students performing at this level have a sufficient command of grade-level knowledge and skills in the tested content areas to move on to the next grade but who may need additional support to be on track for career and college readiness.
 - d) Level IV: Students performing at this level have a solid command of grade-level knowledge and skills in the tested content areas to move on to the next grade and are on track for career and college readiness.
 - e) Level V: Students performing at this level have a superior command of grade-level knowledge and skills in the tested content areas to move on to the next grade and are on track for career and college readiness.
- 18) **Headcount/Child Count** - This term refers to the process of actually counting the number of pupils who are defined as Children with Special Needs or Limited English Proficient.
 - a) For federal purposes, children with special needs include only a child with a disability.
 - b) The federal government requires child counts of children with special needs who have been properly identified, are receiving special education and related services on the child count day and have an individual education plan (IEP) or an individualized family service plan (IFSP). The December 1 IDEA Title VI-B child count includes those children ages 3 to 21 who are being served by LEAs, charter schools, or state-operated programs. State law requires an adjusted child count on April 1 of children ages 5 to 20 who are being

served by LEAs or charter schools and ages 3 to Pre-K-5 for Preschool funds. The April child count includes additions or deletions to the December 1 child counts and is used for state funding purposes.

- 19) **IDEA** - Individuals with Disabilities Education Act replaced the EHA - Education of Handicapped Act for Title VI-B. Includes Title VI-B and Title VI-B Preschool.
- 20) **Initial Allotments** – The allocation of state and federal funds to LEAs occurring after adjournment of the General Assembly.
- 21) **Laboratory School** – “Lab” School - A school created under the UNC Board of Governors pursuant to G.S.116-239.5
- 22) **Months of Employment** - A unit of employment corresponding to a calendar month. The state allots a certain number of months of employment which can be assigned to a position, or a portion of a position, at the discretion of the LEA. Months of employment pertain to all position allotments which include Career Technical Education and School Building Administration (Assistant Principals).

Example: If an LEA is allotted 100 months of employment, that LEA can hire 10 Career Technical Education teachers for 10 months; or 8 teachers for 12 months and 1 teacher for 4 months; or any other combination which equals 100 months. Each allotment category must be reviewed for any special restrictions.
- 23) **PR/Award** – A unique, identifying number assigned to each application. This is commonly known as the “grant number” or “document number”.
- 24) **Planning Allotments** – The tentative allocation of state and federal funds to LEAs to provide information for budgeting purposes. These allotments occur during February, preceding the fiscal year for which the initial allotment will be made.
- 25) **Positions** - Positions equate to the full-time equivalent individuals that can be assigned for the employment period represented by the allotment category. For example, a position in the classroom teacher allotment represents an employment period of 10 months. The number of full-time equivalent individuals that can be employed is limited to the number of months associated with the positions allotted by the state.
- 26) **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. For more information see the State Salary Schedule Manual.

Example: Teachers, School Building Administration (Principals) and Instructional Support Personnel.
- 27) **Power School** - A web-based student information system. Power School provides the full range of features needed by administrators at the district and school level for student accounting. The system is developed by Pearson Education, Inc.
- 28) **Public School Unit (PSU)**– For purposes of this Allotment Policy Manual, the term PSU includes local education agency, charter school, lab school, and regional school only. Per SL 2020-56, PSU also includes NC residential schools.

- 29) **Regional School** - A school created pursuant to [GS 115C, Article 16, Part 10](#) which includes all of grades nine through twelve and may include grades seven and eight.
- 30) **Renewal School System** A local board of education that has been approved to operate exempt from many statutes and receives State funds in an unrestricted block grant. SL 2018-23 Part VI
- 31) **Restart School - Reformed** school that has been identified as one of the continually low-performing schools in North Carolina. These school can operate using one of the following models with State Board Approval: (1) Transformation Model, (2) Restart Model, (3) Turnaround model, or (4) School closure model. G,S, 115C-105.37B
- 32) **School** - An organizational subdivision of a school system consisting of a group of pupils composed of one or more grade groups, organized as one unit with an assigned principal, or person acting in the capacity of principal, to give instruction of the type defined in the NC Standard Course of Study, and housed in a school plant of one or more buildings. (See definition of *charter school*.)
- 33) **Student Accounting** - The data collection regarding student enrollment, membership, attendance, and withdrawal from membership in the public schools. Power School is the official student information system by which this data is reported to the Department of Public Instruction.
- 34) **Tydings Amendment** - Federal law provides that certain federal funds not obligated during the first year of allotment shall remain available for obligation and expenditure for one additional year. Federal grant periods vary; therefore, each grant must be reviewed to determine if the Tydings Amendment will apply. Since the federal fiscal year begins October 1st and the state fiscal year begins July 1st, many grant periods can be active up to 27 months when provisions of the Tydings Amendment are applicable.
- 35) **UERS** – Uniform Education Reporting System. UERS is the comprehensive system by which LEAs and Charter schools report data electronically to the Department of Public Instruction. Some components of UERS include SIMS (Student Information Management System) and expenditure reporting in compliance with the [Uniform Chart of Accounts](#). G.S. 115-12(18)
- 36) **Year-Round Education** - A school with a single or multi-track instructional calendar that was adopted prior to March 1, 2020, and provides instructional days throughout the entire school calendar year, beginning July 1 and ending June 30, by utilizing at least one of the following plans:
- a. A plan dividing students into four groups and requiring each group to be in school for assigned and staggered quarters each school calendar year.
 - b. A plan providing students be scheduled to attend 45 an average of between 44 and 46 instructional days followed by an average of between 15 and 20 days of vacation, repeated throughout the school calendar year.
 - C.** A plan dividing the school calendar year into five nine-week sessions of classes and requiring each student to attend four assigned and staggered sessions out of the five nine-week sessions to complete the student's instructional year."

HIGHLY QUALIFIED NC TEACHING GRADUATE

PROGRAM REPORT CODE:	028
UNIFORM CHART OF ACCOUNTS CODE:	XXXX-028-181
STATUTORY REFERENCE:	G.S. 115C-302.7 SL 2017-57, Section 8.2 SL 2017-212, Section 2.3 SL 2018-5, Section 8.8 S.L 2019-247 Section 2.2

Guaranteed allotment.

A supplement paid to new teachers who are highly qualified. Amount of the supplement is dependent on the school and teaching assignment. Full policy in the [NC Public School Personnel State Salary Manual](#).

PRINCIPAL RECRUITMENT SUPPLEMENT

PROGRAM REPORT CODE:	028
UNIFORM CHART OF ACCOUNTS CODE:	5410-028-180
STATUTORY REFERENCE:	GS 115C-285.1 S.L 2019-247 Section 2.5

Guaranteed allotment.

A supplement paid to eligible principals who supervise a low performing school selected by DPI. Full policy in the [NC Public School Personnel State Salary Manual](#).

EMPLOYER BENEFIT COSTS

PROGRAM REPORT CODE:	Various
UNIFORM CHART OF ACCOUNTS CODE:	XXX-XXX-2X1
STATUTORY REFERENCE:	SL 2021-180 Section 39.22 (b) and (d) , SL 2022-74

Benefit Rates:

Hospitalization	\$7,397 per year per full-time equivalent position.
Social Security	7.65% for the entire year.
Retirement	24.50%

Effective July 13, 1989, a person must be a permanent employee as defined in the North Carolina Public School and must be employed for thirty or more hours per week in order for an LEA to submit the employee for enrollment in the State Retirement System and the State

SUBSTITUTE PAY

PROGRAM REPORT CODE: XXX
UNIFORM CHART OF ACCOUNTS CODE: XX00-XXX-16X
STATUTORY REFERENCE:

With the ratification of the School Flexibility and Accountability Bill ([SL 1995-450](#)) in July of 1995, Substitute Pay for classroom teachers and instructional support personnel is allotted with Non-Instructional Support Personnel (PRC 003). Substitute Pay from other State allotments such as Career Technical Education, Staff Development, and Children with Disabilities, as well as federal programs, may still be paid from their respective categorical allotments.

Substitutes who hold teacher certificates shall receive a minimum of 65% of the daily pay rate of an entry-level teacher with an "A" certificate as stated in the NC Public School Personnel State Salary Manual. Substitutes who are non-certified shall receive a minimum of 50% of the daily pay rate of an entry-level teacher with an "A" certificate. The pay for non-certified substitutes shall not exceed the pay of certified substitutes. Deductions in salaries for teachers on leave who require a deduction in salary for substitute pay shall be at a standard rate of \$50.00 per day.

In accordance with [GS 115C-12\(8\)](#), the \$50 deducted from a teacher's pay will be reallocated to Non-instructional Support Personnel (PRC 003) on a semi annual basis. The additional allocation is based on absence codes included on teacher payroll records.

For additional information regarding the payment of substitute pay please reference the [NC Public School Personnel State Salary Manual](#) at or the [Employee Benefits Manual](#).

ANNUAL LEAVE

PROGRAM REPORT CODE: 009
UNIFORM CHART OF ACCOUNTS CODE: XXXX-009-188
STATUTORY REFERENCE: [GS 115C-316](#)

No allotment is made for annual leave. Eligible expenditures will be covered as reported through UERS (Uniform Education Reporting System) for LEAs.

For additional information regarding the payment of annual leave please reference the [NC Public School Personnel State Salary Manual](#) or the [Employee Benefits Manual](#).

LONGEVITY

PROGRAM REPORT CODE: 009
 UNIFORM CHART OF ACCOUNTS CODE: XXXX-009-184
 STATUTORY REFERENCE: [GS 115C-316](#)

No allotment is made for longevity. Beginning July 1, 2014, longevity is included in the salary schedule for School Based Administrators, Teachers and Instructional Support Personnel. Eligible expenditures will be covered as reported through UERS for LEAs.

Longevity Schedule	
Years of Total State Service	Longevity Pay Rate
10 but less than 15 years	1.50 percent
15 but less than 20 years	2.25 percent
20 but less than 25 years	3.25 percent
25 or more years	4.50 percent

For additional information regarding the payment of longevity please reference the [NC Public School Personnel State Salary Manual](#) or the [Employee Benefits Manual](#).

SHORT-TERM DISABILITY

PROGRAM REPORT CODE: 009
 UNIFORM CHART OF ACCOUNTS CODE: XXXX-009-1XX
 STATUTORY REFERENCE:

No allotment is made for short-term disability. Eligible expenditures will be covered as reported through UERS for LEAs.

Short-term disability payments are payable after the conclusion of a 60-day waiting period for a period not exceeding 365 calendar days provided the employee meets the following requirements:

1. The employee has at least one year of contributing membership service in the Retirement System earned within the 36 calendar months preceding employee's disability.

2. Employee has been classified as being mentally or physically disabled for the further performance of his/her usual occupation.
3. Employee's disability was incurred at the time of active employment.
4. Employee's disability has been continuous.

For additional information regarding the payment of short-term disability please reference the [NC Public School Personnel State Salary Manual](#) or the [Employee Benefits Manual](#).

SUBSTITUTES FOR EDUCATORS ON PAID PARENTAL LEAVE

PROGRAM REPORT CODE:	011
UNIFORM CHART OF ACCOUNTS CODE:	XXX-011-1XX
STATUTORY REFERENCE:	G.S. 126-8.6 G.S. 115C-336.1 SL2023-14 and SL2023-65

Funding is provided to LEAs for substitutes for educators, who require a substitute and are on paid parental leave per G.S.115C-126-8.6 and North Carolina Public Schools Employment and Benefits Policy Manual. No allotment is made to LEAs for substitutes for employees on paid parental leave. The eligible expenditures shall be covered as reported through UERS.

Charter school board of directors which have made appropriate and timely notification to the DPI Office of Charter Schools of their election to provide paid parental leave shall be reimbursed for substitutes for eligible educators on a semi-annual basis. The reimbursement shall be made in PRC036.

Lab Schools and Regional Schools shall be reimbursed for substitutes for eligible educators on a semi-annual basis in PRC038.

INJURIES DUE TO EPISODES OF VIOLENCE

PROGRAM REPORT CODE:	Varies
UNIFORM CHART OF ACCOUNTS CODE:	Varies
STATUTORY REFERENCE:	GS 115C-338

An employee who while engaged in the course of his employment or in any activities incidental thereto, suffers any injury or disability resulting from or arising out of any episode of violence by one or more persons shall be entitled to receive his full salary during the shortest of these periods: one year, the continuation of his disability, or the time during which he is unable to engage in his employment because of injury. This allocation will be made if the employee is not

receiving salary from worker's compensation.

The Local School Board must declare the incident as an Act of Violence. In accordance with [GS 115C-338](#), an LEA must notify the School Allotments Section in writing of how many months the employee was absent in the initial fiscal year due to the incidence of violence. The LEA must notify School Allotments Section in the 2nd fiscal year if needed. Allotments will **not** be made for prior fiscal years.

LEAs should include the following information when submitting claims for episodes of violence:

- A written description of the act.
- A copy of the physician's statement and the Board's designation of Act of Violence.
- The specific dates the additional allotment will cover.
- The name and phone number of the Sedgwick case worker.

For additional information regarding injuries due to episodes of violence please reference [NC Public School Personnel State Salary Manual](#) or the [Employee Benefits Manual](#).

CAREER TECHNICAL EDUCATION – CREDENTIAL PROGRAM SUPPORT

PROGRAM REPORT CODE: 083
UNIFORM CHART OF ACCOUNTS CODE: 1-512X-083-XXX
STATUTORY REFERENCE: GS 115C-156.2

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: PSU funding to provide students an opportunity to obtain industry-recognized credentials.
ELIGIBILITY: A PSU who has students who are enrolled in career and technical education courses.
FORMULA: Funding shall be distributed based on the PSUs current year enrollment in courses that are approved in NC State Board of Education Policy SCOS-005 and Local Courses/Pathways approved in Federally required Local Applications that lead to a credential.

SPECIAL PROVISION:

- 1) No ABC transfers are allowed out of this allotment category.
- 2) DPI shall use state funds appropriated to pay for licenses included in the current statewide agreement, including NCCER and Microsoft/Certiport on behalf of the PSUs

CAREER TECHNICAL EDUCATION - STATE: PROGRAM SUPPORT FUNDS (PRC 014)

PROGRAM REPORT CODE: 014
UNIFORM CHART OF ACCOUNTS CODE: 1-XXX0-014-XXX
STATUTORY REFERENCE: [GS 115C, Article 10](#)

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: Provides funding to assist LEAs in expanding, improving, modernizing, and developing quality Career Technical education programs.
ELIGIBILITY: Each LEA is entitled to funding based on ADM in grades 8-12
FORMULA: Each LEA is eligible for a base amount of \$10,000. Remaining funds are allotted based on allotted ADM in grades 8-12.

SPECIAL PROVISION:

- 1) Funds may be transferred out of Career and Technical Education (PRC 013) Months of Employment (MOEs) into (PRC 014) Program Support without limitation. Transfers out of Career Technical Education – State: Program Support Funds (PRC 014) to other PRCs are capped at the amount an LEA’s PRC 014 increase from the previous fiscal year.
- 2) Submit an ABC Transfer Form to transfer funds.
- 3) Of the funds provided to the Department of Public Instruction, the sum of ninety thousand, five hundred dollars (\$90,500) shall be transferred to the Agricultural Education and FFA Program housed in the Department of Agricultural and Extension Education at North Carolina State University.
- 4) ~~SL 2013-360, Section 8.28 establishes funds for CTE credentials. A portion of the funds are used to pay for licenses included in the current statewide, and the funds will be distributed to LEAs based on their current year enrollment in courses approved in NC State Board of Education Policy SCOS-005 and Local Courses/Pathways approved in Federally required Local Applications that lead to a credential and the cost of each credential pro-rated to remain within budget.~~

Updated August, 2023

2020-2023

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Funds Related to Coronavirus/COVID-19



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ARP – ESSER III – ~~MATH~~SUPPLEMENTAL ACADEMIC ENRICHMENT PROGRAMS (PRC 189)

PROGRAM REPORT CODE: 189

UNIFORM CHART OF ACCOUNTS CODE: XXXX-189-XXX

STATUTORY REFERENCE: SL 2021-180 Section 7.27.(a)(~~34~~)

CFDA #: 84.425U

TYPE: Dollars

TERM: Funds are available through September 30, 2024.

PURPOSE: To support public school units in addressing COVID-19 related needs during the instructional year, including through after-school and before-school programs that incorporate supplemental in-person instruction to address learning loss ~~in math in grades 4-8~~ and provide enrichment activities to students in grades 4-8.

ELIGIBILITY: Public school units (LEA, charter, regional, ISD, residential, and lab schools)

FORMULA: Funds shall be allotted based on ADM for grades 4-8 based on 2021-22 allotted ADM for LEAs and Month 1 Funded ADM for all other public school units

SPECIAL PROVISIONS:

- 1) Funds shall not be transferred into or out of this allotment category.
- 2) PSUs shall focus the supplemental in-person instruction on either math, ELA, or science based on the needs and supporting data of the students participating in these programs.
- 3) PSUs shall prioritize enrollment in the program to students who are at risk, as defined in State Board of Education policy ALTP-002, and/or students identified as having been disproportionately impacted by the COVID-19 pandemic.
- 4) PSUs shall submit an application revision in CCIP by September 15, 2023 in accordance with the Office of Learning Recovery and Acceleration's PRC 189 Guidance Document - program plan through Qualtrics in accordance with, and including the elements within, the Summer Career Accelerator Program Guidance document to the Office of Learning Recovery and Acceleration by September 15, 2022, to reflect any programmatic or budgetary changes based on the allotment policy revision.
- 5) Any public school unit without an approved application in CCIP as of August 15, 2022 will forfeit its allotment under this PRC. Unallotted funds will be reallocated to public school units with an approved application.