

Memo:

To: Mr. Rick Stout, Superintendent
From: Tony M. Messer, Finance Officer
Date: October 1, 2009
Re: Original Budget Resolution – 2009/2010

Attached please find the following documents:

- 1) 2009/2010 original budget resolution; highlights are detailed below.
 - a) **State Fund 1** – State funding was reduced by \$3.4 million (a 7.61% reduction). In addition, there was a \$1.05 million discretionary reduction; a clear focus on teachers and teacher assistants guided the discretionary reduction.
 - a. The State made specific cuts to central office, IT capital, staff development for schools, transportation, at risk student funding and textbooks.
 - b. In addition, the State reduced funding for non-instructional support (custodians, school office support – bookkeepers, NCWISE, etc.) by approximately \$2.1 million, and replaced this cut with approximately \$1.9 million in Federal stabilization funds.
 - b) **Local Current Fund 2** – County funding remains the same at \$10.5 million.
 - a. We are proposing appropriated fund balance of \$439,306; these funds will be used to support locally paid teachers, transportation, instructional and non-instructional support.
 - b. This budget covers rate increases for State retirement and State health insurance.
 - c) **Federal Fund 3** – Federal funding has increased due to the Federal Stimulus Plan.
 - a. The State reduced funding for non-instructional support, but replaced the reduction with \$1.9 million of Federal stabilization funds.
 - b. The Federal Stimulus plan also provides direct funding to schools, including: Title I (\$1.9 million); Exceptional Children (\$1.5 million plus \$60,443 in EC Preschool); and additional funding for Education Technology, Homeless Education and Child Nutrition.
 - d) **Local Capital Outlay Fund 4** – Currently county funding is reduced to \$700,000 with fines & forfeitures and Education Lottery monies remaining constant. See item 3 for detailed capital outlay projects. Based upon information from the County in regards to the capital reserve account, we can expect an additional \$277,000 in Capital funding.

- e) **Child Nutrition Fund 5** – We have increased this budget to reflect USDA commodities used during the fiscal year. In previous years, this item was not budgeted for until year end.
- 2) Budget worksheets will be provided separately.
- 3) Budgeted maintenance projects.

CAPITAL OUTLAY NEEDS

CATEGORY I PROJECTS – Land, Buildings, Renovations, Site Improvements

Roof Replacement – SHS Old Building	\$625,000
Various capital requests for individual schools	132,668
Carpet Removal and Tile Installation – Wagram Primary	20,000
Asbestos Abatement at various individual schools	45,000
Annual Painting at various individual schools	55,000
Paint Auditorium Ceiling – SHS	13,000
Roof Replacement on Walkway Covers	45,000
Perimeter Fencing at various individual schools	50,000
Heat Pump/Controls – Wagram Elementary	168,125
Heat Pump/Controls – IE Johnson	80,125
Heat Pump/Controls – South Scotland	54,500
Heat Pump/Controls – SAA	45,000
Bard Heat Pump Replacement	184,100
Modular Classroom Lease – SHS	<u>16,561</u>
Total Category I	<u>\$1,534,079</u>

CATEGORY II PROJECTS – Furnishings and Equipment

Security Cameras – ALA/SHS	40,000
Furniture Allotment to individual schools	85,921
Equipment – Maintenance/Reserve	<u>20,000</u>
Total Category II	<u>\$145,921</u>

CATEGORY III PROJECTS – Vehicles

Maintenance Vehicles	<u>45,000</u>
Total Category III	<u>45,000</u>

TOTAL CAPITAL OUTLAY EXPENDITURES \$1,725,000

The Finance Officer recommends approval of the 2009/2010 budget resolution as presented. Please let me know if you need additional information, as more detailed documentation is available. Thank you.

SCOTLAND COUNTY BOARD OF EDUCATION

**ORIGINAL BUDGET RESOLUTION
FISCAL YEAR 2009-10**

BE IT RESOLVED by the Board of Education of the Scotland County School Administrative Unit:

Section 1 - The following revenues are estimated to be available to the State Public School Fund - Fund 1. The following expenditure amounts are hereby appropriated at the purpose level for the operation of the school administrative unit in the State Public School Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010.

	<u>Original</u>	<u>11/2009</u>	<u>2/2010</u>	<u>5/2010</u>	<u>6/2010</u>
State Public School Revenue	<u>\$ 40,642,530</u>				
<u>Expenditures</u>					
Instructional Services	\$ 37,521,697				
Support Services	<u>\$ 3,120,833</u>				
State Public School Expenditures	<u>\$ 40,642,530</u>				

Section 2 - The following revenues are estimated to be available to the Local Current Fund - Fund 2. The following expenditure amounts are hereby appropriated at the purpose level for the operation of the school administrative unit in the Local Current Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010.

	<u>Original</u>	<u>11/2009</u>	<u>2/2010</u>	<u>5/2010</u>	<u>6/2010</u>
Local Current Fund Revenue	<u>\$ 13,708,494</u>				
<u>Expenditures</u>					
Instructional Services	\$ 7,475,112				
Support Services	\$ 6,217,160				
Non-Program Costs	<u>\$ 16,222</u>				
Local Current Fund Expenditures	<u>\$ 13,708,494</u>				

Section 3 - The following revenues are estimated to be available to the Federal Program Fund - Fund 3. The following expenditure amounts are hereby appropriated at the purpose level for the operation of the school administrative unit in the Federal Program Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010.

	<u>Original</u>	<u>11/2009</u>	<u>2/2010</u>	<u>5/2010</u>	<u>6/2010</u>
Federal Program Revenue	<u>\$ 11,654,737</u>				
Expenditures					
Instructional Services	\$ 6,244,290				
Support Services	\$ 3,303,415				
Community Service	\$ 36,693				
Non-Program Costs	<u>\$ 2,070,339</u>				
Federal Program Expenditures	<u>\$ 11,654,737</u>				

Section 4 - The following revenues are estimated to be available to the Local Capital Fund - Fund 4. The following expenditure amounts are hereby appropriated at the purpose level for the operation of the school administrative unit in the Local Capital Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010.

	<u>Original</u>	<u>11/2009</u>	<u>2/2010</u>	<u>5/2010</u>	<u>6/2010</u>
Local Capital Fund	<u>\$ 1,725,000</u>				

Section 5 - The following revenues are estimated to be available to the Child Nutrition Fund - Fund 5. The following expenditure amounts are hereby appropriated at the purpose level for the operation of the school administrative unit in the Child Nutrition Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010.

	<u>Original</u>	<u>11/2009</u>	<u>2/2010</u>	<u>5/2010</u>	<u>6/2010</u>
Child Nutrition	<u>\$ 3,668,495</u>				

Section 6 - All appropriations shall be paid first from revenues restricted as to use, and second from general unrestricted revenues.

Section 7 - The Superintendent and Finance Officer are hereby authorized to transfer appropriations within a purpose code within a fund as contained herein under the following conditions:

- a. They may transfer amounts within a purpose code within a fund with proper justification.
- b. They may not transfer amounts from contingency without Board of Education approval.
- c. They may not transfer any amounts between Local Current appropriation and Local Capital appropriation without the approval of the Board of Education.

Section 8 - Copies of the Budget Resolution shall be immediately furnished to the Superintendent and the Finance Officer for direction in carrying out their duties.

Section 9 - The additional fund balance, if any, in excess of the designated appropriation in the Local Current Fund or the Local Capital Outlay Fund will be automatically appropriated to contingency, once the Annual Financial (Audit) Report has been presented to the Board of Education.

Adopted the 12th day of October, 2009.

Board of Education Chair

Date

Superintendent

Date

Finance Officer

Date

STATE PUBLIC SCHOOL FUND - BUDGET WORKSHEET

PRC	DESCRIPTION	09-10		INCREASE/ (DECREASE)	% CHANGE
		08-09 INITIAL BUDGET	RECOMMENDED BUDGET		
001	CLASSROOM TEACHERS	18,505,121	18,108,118	(397,003)	-2.15% *
	Position allotment	319.50	311.50	(8.00)	-2.50%
002	CENTRAL OFFICE ADMIN	885,625	826,886	(58,739)	-6.63%
003	NON-INSTRUCTIONAL SUPPORT	2,339,925	257,370	(2,082,555)	-89.00% **
005	SCHOOL BUILDING ADMIN	2,382,745	2,195,992	(186,753)	-7.84% *
	Months of Employment	331.00	306.00	(25.00)	-7.55%
007	INSTRUCTIONAL SUPPORT	2,351,230	1,934,658	(416,572)	-17.72% *
	Position allotment	40.00	33.00	(7.00)	-17.50%
009	NON-CONTRIBUTORY EMPLOYEE	1,500,000	1,500,000	-	0.00%
012	DRIVER TRAINING	152,161	153,058	897	0.59%
013	VOC. ED. - MONTHS OF EMPLOYMENT	1,898,792	1,875,338	(23,454)	-1.24% *
	Months of Employment	328.00	323.00	(5.00)	-1.52%
014	VOC. ED. - SUPPORT FUNDS	94,032	92,569	(1,463)	-1.56%
015	SCHOOL TECHNOLOGY FUND	140,486	141,675	1,189	0.85%
022	MENTORS PROGRAM	64,618	59,729	(4,889)	-7.57%
024	DISADV. STUDENT SUPP. FUNDING	-	469,256	469,256	N/A ***
027	TEACHER ASSISTANTS	2,364,189	2,293,142	(71,047)	-3.01%
028	STAFF DEVELOPMENT	70,366	-	(70,366)	-100.00%
031	LOW WEALTH SUPP. FUNDING	3,494,366	3,612,398	118,032	3.38%
032	EXCEPTIONAL CHILDREN	3,237,944	3,170,000	(67,944)	-2.10%
033	EXEMPLARY SCHOOLS (ABC)	481,048	-	(481,048)	-100.00%
034	ACADEMIC/AIG	315,191	311,053	(4,138)	-1.31%
054	LIMITED ENGLISH PROFICIENCY	65,322	66,491	1,169	1.79%
055	LEARN AND EARN	-	306,200	306,200	N/A ****
056	TRANSPORTATION	1,310,795	1,230,123	(80,672)	-6.15%
061	CLASSROOM MATERIALS	400,972	399,237	(1,735)	-0.43%
068	ALTERNATIVE LEARNING PROGRAMS	203,297	138,025	(65,272)	-32.11%
069	AT-RISK STUDENT SERVICES	1,181,802	1,213,397	31,595	2.67%
072	IMPROVING STUDENT ACCOUNTABILITY	97,643	-	(97,643)	-100.00%
073	SCHOOL CONNECTIVITY	-	17,893	17,893	N/A
130	STATE TEXTBOOKS	454,714	269,922	(184,792)	-40.64%
	GRAND TOTAL	43,992,384	40,642,530	(3,349,899)	-7.61%

* Figures adjusted by DPI based on average salary.

** We have received \$1,872,113 in federal stabilization funds, in order to replace 89% of the state reduction.

*** DSSF funding was not in the original 08/09 budget. It was added through a budget amendment.

**** Learn and Earn funding was not in the original 08/09 budget. It was added through a budget amendment.

LOCAL CURRENT FUND REVENUES - BUDGET WORKSHEET

DESCRIPTION	08-09		09-10		INCREASE	
	FINAL BUDGET	ACTUAL	% OF BUDGET	RECOMMENDED	OVER 08/09 BUDGET	% CHANGE
MORE AT FOUR	1,480,440	1,459,020	98.55%	1,409,460	(70,980)	-4.79%
SOS GRANT	79,500	61,809	77.75%	-	(79,500)	-100.00%
DROPOUT PREVENTION	149,948	35,000	23.34%	114,948	(35,000)	-23.34%
SCHOOL NURSE INITIATIVE	100,000	100,000	100.00%	100,000	-	0.00%
JROTC	45,000	60,163	133.70%	45,000	-	0.00%
WIA-IN-SCHOOL	116,075	130,079	112.06%	108,929	(7,146)	-6.16%
MEDICAID OUTREACH	125,000	355,279	284.22%	-	(125,000)	-100.00%
MEDICAID-FEE FOR SERVICE	47,526	55,484	116.74%	-	(47,526)	-100.00%
IMPACT AREA	5,000	12,227	244.54%	5,000	-	0.00%
INDIAN EDUCATION	177,341	177,243	99.93%	189,351	12,010	6.77%
WIA-OUT-SCHOOL	116,075	97,274	83.80%	108,929	(7,146)	-6.16%
ARRA-IN SCHOOL YOUTH	61,900	8,900	14.38%	35,618	(26,282)	-42.46%
ARRA-OUT OF SCHOOL YOUTH	29,858	2,871	9.62%	23,314	(6,544)	-21.92%
SAFE SCHOOLS/HEALTHY STUDENTS	255,938	255,938	100.00%	-	(255,938)	-100.00%
SITE LEARNING	149,993	129,195	86.13%	20,798	(129,195)	-86.13%
COUNTY APPROPRIATION	10,530,637	10,530,637	100.00%	10,530,637	-	0.00%
TUITION & FEES	3,000	1,547	51.57%	3,000	-	0.00%
FINES & FORFEITURES	175,000	269,416	153.95%	175,000	-	0.00%
RENTAL OF SCHOOL PROPERTY	60,170	55,765	92.68%	10,000	(50,170)	-83.38%
GATES FOUNDATION GRANT	151,712	151,712	100.00%	-	(151,712)	-100.00%
PROJECT QUEST	59,989	-	0.00%	59,989	-	0.00%
MICROSOFT SETTLEMENT	-	35,599	N/A	-	-	N/A
INTEREST INCOME	30,000	20,271	67.57%	5,000	(25,000)	-83.33%
MISC. LOCAL REVENUE	50,389	48,008	95.27%	7,240	(43,149)	-85.63%
INDIRECT COST	288,385	351,817	122.00%	288,385	-	0.00%
VOCATIONAL REHAB.	15,000	33,640	224.27%	15,000	-	0.00%
FUND BALANCE APPROPRIATED	667,704	-	0.00%	439,306	(228,398)	-34.21%
FUND BALANCE APPROP. - OTHER	51,526	-	0.00%	13,590	(37,936)	-73.62%
TRANSFER FROM CAPITAL	155,541	-	0.00%	-	(155,541)	-100.00%
GRAND TOTAL REVENUES	15,178,647	14,438,864	95.13%	13,708,494	(1,470,153)	-9.69%
GRAND TOTAL EXPENDITURES	15,178,647	15,022,802	98.97%	13,708,494	(1,470,153)	-9.69%
NET REVENUES (EXPENDITURES)	-	(583,938)	-3.85%	-	-	0.00%

LOCAL CURRENT FUND EXPENDITURES - BUDGET WORKSHEET

PRC	DESCRIPTION	08-09 BUDGET	08-09 ACTUAL	% OF BUDGET	09-10 RECOMMENDED BUDGET	INCREASE OVER 08/09 BUDGET	% CHANGE
001	CLASSROOM TEACHERS	2,914,359	2,673,082	91.72%	2,525,530	(388,829)	-13.34%
002	CENTRAL OFFICE ADMIN	1,058,843	1,048,229	99.00%	957,765	(101,078)	-9.55%
003	NON-INSTRUCTIONAL SUPPORT	2,847,528	2,772,063	97.35%	2,827,975	(19,553)	-0.69%
005	SCHOOL BUILDING ADMIN	704,555	694,876	98.63%	686,539	(18,016)	-2.56%
007	INSTRUCTIONAL SUPPORT	344,896	430,467	124.81%	281,384	(63,512)	-18.41%
009	NON-CONTRIBUTORY EMPLOYEE	439,726	570,619	129.77%	475,474	35,748	8.13%
011	NATIONAL BOARDS CERT.	13,475	8,118	60.24%	18,915	5,440	40.37%
014	VOC. ED. - SUPPORT FUNDS	23,246	9,481	40.79%	23,490	244	1.05%
015	SCHOOL TECHNOLOGY FUND	52,676	45,360	86.11%	47,400	(5,276)	-10.02%
027	TEACHER ASSISTANTS	200,305	238,560	119.10%	91,361	(108,944)	-54.39%
032	EXCEPTIONAL CHILDREN	49,606	69,355	139.81%	46,843	(2,763)	-5.57%
034	ACADEMIC/AIG	96,890	86,264	89.03%	98,613	1,723	1.78%
035	CHILD NUTRITION	-	67,359	N/A	-	-	N/A
036	CHARTER SCHOOLS	7,500	9,411	125.48%	-	(7,500)	-100.00%
054	LIMITED ENGLISH PROFICIENCY	64,700	58,436	90.32%	14,546	(50,154)	-77.52%
056	TRANSPORTATION	173,314	109,935	63.43%	164,817	(8,497)	-4.90%
061	CLASSROOM MATERIALS	173,950	159,684	91.80%	222,255	48,305	27.77%
069	AT-RISK STUDENT SERVICES	44,000	42,000	95.45%	44,000	-	0.00%
130	STATE TEXTBOOKS	14,487	14,003	96.66%	-	(14,487)	-100.00%
301	JROTC	-	60,163	N/A	-	-	N/A
303	WIA-IN-SCHOOL	116,075	130,079	112.06%	108,929	(7,146)	-6.16%
305	MEDICAID (ADMIN. OUTREACH)	-	355,279	N/A	-	-	N/A
306	MEDICAID-FEE FOR SERVICE	71,000	65,368	92.07%	13,590	(57,410)	-80.86%
308	IMPACT AREA GRANTS	-	12,227	N/A	-	-	N/A
310	INDIAN ED GRANT	177,341	177,211	99.93%	189,351	12,010	6.77%
314	WIA-OUT OF SCHOOL	116,075	97,274	83.80%	108,929	(7,146)	-6.16%
320	ARRA-IN SCHOOL YOUTH	61,900	12,720	20.55%	35,618	(26,282)	-42.46%
321	ARRA-OUT OF SCHOOL YOUTH	29,858	4,849	16.24%	23,314	(6,544)	-21.92%
344	SAFE SCHOOLS/HEALTHY STUDENTS	255,938	255,339	99.77%	-	(255,938)	-100.00%
345	SITE LEARNING	149,993	129,195	86.13%	20,798	(129,195)	-86.13%
412	SUPPORT OUR STUDENTS	79,500	61,809	77.75%	-	(79,500)	-100.00%

413	MORE AT FOUR	1,480,440	1,314,964	88.82%	1,409,460	(70,980)	-4.79%
419	DROPOUT PREVENTION	149,948	35,000	23.34%	114,948	(35,000)	-23.34%
501	GATES FOUNDATION GRANT	151,712	111,422	73.44%	-	(151,712)	-100.00%
525	PROJECT QUEST	59,989	-	0.00%	59,989	-	0.00%
573	KBR GRANT	6,012	5,968	99.27%	-	(6,012)	-100.00%
604	SALES TAX	(70,527)	(70,527)	100.00%	-	70,527	-100.00%
614	NC PARTNERSHIP	16,942	10,710	63.22%	-	(16,942)	-100.00%
615	SCHOOL NURSE GRANT	100,000	121,296	121.30%	100,000	-	0.00%
662	LIVE PROJECT - VOC ED	-	3,120	N/A	-	-	N/A
704	COMMUNITY SCHOOLS	114,715	86,316	75.24%	111,462	(3,253)	-2.84%
802	MAINT/OPERATION OF PLANT	2,562,880	2,614,551	102.02%	2,535,768	(27,112)	-1.06%
803	HIGH SCHOOL ATHLETICS	220,998	220,746	99.89%	241,110	20,112	9.10%
804	CULTURAL ARTS	35,652	34,143	95.77%	43,371	7,719	21.65%
843	MIDDLE SCHOOL ATHLETICS	66,150	64,278	97.17%	63,150	(3,000)	-4.54%
844	504 LEGISLATION	2,000	2,000	100.00%	1,800	(200)	-10.00%
	GRAND TOTAL	15,178,647	15,022,802	98.97%	13,708,494	(1,470,153)	-9.69%

FEDERAL PROGRAM FUND - BUDGET WORKSHEET

PRC	DESCRIPTION	08-09		08-09 ACTUAL	% OF BUDGET	09-10		INCREASE OVER 08/09 BUDGET	% CHANGE
		BUDGET				RECOMMENDED BUDGET			
017	VOC. ED. PROGRAM IMPROVEMENT	140,708		140,708	100.00%	134,641		(6,067)	-4.31%
026	HOMELESS GRANT	97,277		34,548	35.52%	62,730		(34,547)	-35.51%
044	IDEA VI-B CAPACITY BLDG	34,040		19,356	56.86%	15,538		(18,502)	-54.35%
048	SAFE/DRUG FREE SCHOOLS	30,947		27,223	87.97%	35,449		4,502	14.55%
049	IDEA VI-B PRESCHOOL-EC	68,050		64,928	95.41%	55,219		(12,831)	-18.86%
050	ESEA TITLE I	2,980,150		2,348,848	78.82%	2,926,053		(54,097)	-1.82%
057	ABSTINENCE EDUCATION	4,467		4,467	100.00%	-		(4,467)	-100.00%
060	IDEA VI-B HANDICAPPED-EC	1,695,327		1,695,327	100.00%	1,510,349		(184,978)	-10.91%
103	TITLE II - IMPROVING TEACHER QUALITY	496,507		476,383	95.95%	483,173		(13,334)	-2.69%
105	TITLE I SCHOOL IMPROVEMENT	73,287		52,225	71.26%	-		(73,287)	-100.00%
106	READING FIRST GRANT	1,714,866		959,020	55.92%	755,846		(959,020)	-55.92%
107	EDUCATION TECHNOLOGY	28,922		27,797	96.11%	20,732		(8,190)	-28.32%
108	EDUCATION TECHNOLOGY-COMP.	427,915		374,164	87.44%	-		(427,915)	-100.00%
109	RURAL LOW INCOME SCHOOL	191,357		191,357	100.00%	170,591		(20,766)	-10.85%
110	21ST CENTURY COMM. LEARNING CTS	440,000		440,000	100.00%	-		(440,000)	-100.00%
112	TITLE IIB-MATH-SCIENCE PART.	15,750		13,196	83.78%	2,240		(13,510)	-85.78%
140	EDU STABILIZATION	-		-	N/A	1,872,113		1,872,113	N/A
141	ARRA (STIMULUS) TITLE I	-		-	N/A	1,921,951		1,921,951	N/A
144	ARRA (STIMULUS) IDEA	768,759		60,121	7.82%	1,537,519		768,760	N/A
145	ARRA (STIMULUS) PRE-SCH. IDEA	30,220		1,461	4.83%	60,443		30,223	N/A
146	ARRA (STIMULUS) TECHNOLOGY	-		-	N/A	48,181		48,181	N/A
148	ARRA (STIMULUS) MCKINNEY VENTO	-		-	N/A	5,276		5,276	N/A
149	CHILD NUTRITION EQUIP. ASSIST.	-		-	N/A	36,693		36,693	N/A
	GRAND TOTAL	9,238,549		6,931,129	75.02%	11,654,737		2,416,188	26.15%

NOTE: Amounts unspent at June 30, 2009 will carry forward to the 2009/2010 school year. Once the carry forward amounts are confirmed by the State, we will amend the budget accordingly.