

Public Education

GENERAL FUND

SENATE

HOUSE

	FY 2001-02	FY 2002-03	FY 2001-02	FY 2002-03
Recommended Budget	\$5,923,802,924	\$6,021,031,149	\$5,923,802,924	\$6,021,031,149
Legislative Changes				
A. More Accurate Projection of Budget Requirements				
Additional Adjustments in Average Salary Projections	(\$8,497,668) R	(\$8,497,668) R	(\$8,497,668) R	(\$8,497,668) R
In addition to the annual Continuation Budget adjustment for average budgeted salary of certified personnel, a more recent review of certified personnel salaries, from updated salary data, identified an additional reduction in projected salary needs for FY 2001-02.				
School Bus Purchases				
Reduce funding for FY 2001-02 based on a revised school bus replacement schedule.	(\$23,915,892) NR		(\$23,915,892) NR	
Payments for Teacher Unused Vacation Days	(\$4,000,000) R	(\$4,000,000) R	(\$4,000,000) R	(\$4,000,000) R
Adjust funding to reflect recent expenditure experience.				
Mentor Pay			(\$3,000,000) R	(\$3,000,000) R
Reduce funding to reflect recent expenditure experience.				
Transportation Adjustment: Bus Driver Physicals	(\$535,000) R	(\$535,000) R	(\$535,000) R	(\$535,000) R
The Division of Motor Vehicles is delaying the implementation of the requirement that bus drivers must have a physical examination every two years. \$25,000 would remain in the budget for pilot projects.				
Transportation Adjustment: Diesel Fuel Cost	(\$2,990,000) R	(\$3,048,890) R	(\$2,990,000) R	(\$3,048,890) R
The economic forecast models project a 10.5% decline in diesel fuel cost from the current year's average. The current average cost is \$0.92 per gallon and the Continuation Budget was based on an estimated cost of \$1.05 per gallon. This adjustment budgets diesel fuel at \$0.92 which is the current level. All school buses utilize diesel fuel.				

	FY 2001-02		FY 2002-03		FY 2001-02		FY 2002-03	
Transportation Adjustment: Inventory Adjustment June 30, 2000 inventory levels (oil, tires, and parts) were approximately 62% of annual needs. This one-time reduction is to reduce current inventory levels to a more optimum level.	(\$4,000,000)	NR			(\$4,000,000)	NR		
Revised Projection of Average Daily Membership To eliminate the possibility of duplicating the inclusion of some students in projecting a local school administrative units average daily membership and to project a more realistic estimate of future student populations.	(\$20,199,068)	R	(\$16,227,221)	R	(\$20,199,068)	R	(\$16,227,221)	R
	-235.00		-175.00		-235.00		-175.00	
Classroom Materials/Instruction Supplies/Equipment Adjust the increase for inflation to a 3% growth (in line with the Consumer Price Index) from the 5% growth used in the Continuation Budget.	(\$1,140,499)	R	(\$1,140,499)	R	(\$1,140,499)	R	(\$1,140,499)	R
School Building Administration Estimated new public schools opening in FY 2001-02 has been revised to 35 (from 70).	(\$2,338,140)	R	(\$2,338,140)	R	(\$2,338,140)	R	(\$2,338,140)	R
At Risk Student Services/Alternative Schools Each high school receives funding to employ a school safety officer. The estimate of new high schools scheduled to open in FY 2001-02 has been reduced to 10 (from 20).	(\$529,732)	R	(\$529,732)	R	(\$529,732)	R	(\$529,732)	R
Charter School Reserve Funds in this category are used to distribute the applicable State funding to charter schools for students attending a charter school who were not previously in a public school (private or home schooled). Since the number of charter schools has reached the maximum legislated number of 100, the reserve can be reduced to \$2 million in FY 2001-02 and \$1 million in FY 2002-03.	(\$2,404,513)	R	(\$3,404,513)	R	(\$2,404,513)	R	(\$3,404,513)	R
Driver Education To reflect reductions to the Highway Fund for revised Average Daily Membership Projections and an adjustment based on average annual reversions. Reduction to Receipts: (\$1,830,739)	\$0	R	\$0	R	\$0	R	\$0	R

	FY 2001-02		FY 2002-03		FY 2001-02		FY 2002-03	
B. Reduction of Administration Cost								
Safety Assistance Teams Eliminates funding used for Statewide consultants.	(\$500,000)	R	(\$500,000)	R	(\$500,000)	R	(\$500,000)	R
Regional Education and Technical Assistance Reduce State funding distributed to local school administrative units that could be used to support the Regional Education and Technical Assistance Centers by \$3 million (44.56%).	(\$3,732,100)	R	(\$3,732,100)	R				
Central Office Administration A 1.97% reduction from FY 2000-01 allocations for each local school administrative unit. The State Board is directed to develop a revised formula for FY 2002-03 that eliminates any permanent hold harmless in the formula.	(\$3,300,000)	R	(\$3,300,000)	R	(\$3,300,000)	R	(\$3,300,000)	R
Uniform Education and Reporting System (UERS) Based on the current NC WISE implementation schedule, a one- year reduction in funding is possible. FY 2001-02 funding level will be \$10,018,927.	(\$5,000,000)	NR	\$0	NR	(\$5,000,000)	NR	\$0	NR
Department of Public Instruction (Senate) The elimination of 50 State-paid positions in the Department of Public Instruction (over the biennium). In FY 2001-02, the total reduction to the Department of Public Instruction will be a minimum of \$3,800,000.	(\$3,800,000)	R	(\$3,800,000)	R				
(House) The Department of Public Instruction will eliminate at least 25 positions and will reduce other costs. One million dollars shall be transferred from the UERS budget to DPI to reduce contractual costs by internalizing work on the new student information management system (NC WISE)					(\$2,800,000)	R	(\$2,800,000)	R
					-25.00		-25.00	
25 Identified positions	(\$1,004,751)							
Contracted Services	(\$1,590,647)							
Cellular Phones	(\$11,505)							
Equipment	(\$18,056)							
Elimination of Stds Board	(\$175,041)							

	FY 2001-02		FY 2002-03		FY 2001-02		FY 2002-03	
Teacher Recruitment Initiatives								
a. Have the Education Oversight Committee study methods to provide benefits to part-time teachers to attract more certified teachers back into the classroom.								
Teacher Recruitment Initiatives	\$1,000,000	R	\$1,000,000	R	\$1,000,000	R	\$1,000,000	R
b. Teacher Assistant Scholarships Additional scholarship funds for teacher assistants taking courses at community colleges that are prerequisites for teacher certification programs. (Major initiatives in the UNC budget will improve availability of teacher education programs for teacher assistants.)								
Teacher Recruitment Initiatives	\$1,500,000	R	\$1,500,000	R	\$1,500,000	R	\$1,500,000	R
c. To attract teachers in the shortage fields of mathematics, science and special education and to entice teachers in these specialties to teach in schools with large numbers of at-risk students, in middle schools and high schools with 80% or more of the students eligible for free or reduced lunch or with 50% or more of students performing below grade level, provide an annual bonus of \$1,800 (paid monthly with matching benefits). Teachers must be certified in and teaching in these fields and will remain eligible for the bonus as long as they continue to teach in eligible schools.								
Teacher Recruitment Initiatives: Teaching Fellows Program Increase available new scholarships by 50. The scholarships for \$6,500 per year are awarded to students who agree to teach in a North Carolina public school for four years (or three years in a North Carolina low-performing public school).	\$325,000	R	\$325,000	R	\$325,000	R	\$325,000	R
ABCs Bonuses Provide funding for ABCs bonuses for schools meeting or exceeding expected growth in 2000-01.	(\$93,100,000) \$93,100,000	R NR	(\$93,100,000) \$93,100,000	R NR	(\$93,100,000) \$93,100,000	R NR	(\$93,100,000) \$93,100,000	R NR

	FY 2001-02		FY 2002-03		FY 2001-02		FY 2002-03	
E. Other Increases								
Instructional Supplies	\$8,150,507	R	\$8,150,507	R				
Expand funding for instructional supplies. Language will direct that each LEA will allocate a minimum of \$200 to each state-paid teacher for purchase of supplies.								
School Accountability Report Cards	\$200,000	R	\$200,000	R	\$200,000	R	\$200,000	R
Funds for the Education Cabinet to develop, publish, and distribute school accountability report cards. The cards should be designed to supply parents information on school characteristics and performance.								
Average Daily Membership Contingency Reserve	\$500,000	R	\$500,000	R	\$500,000	R	\$500,000	R
Provides additional funds to the State Board of Education to address transitional year funding for local school administrative units with new charter schools and for first month allotment adjustments to local school administrative units with higher than expected enrollment growth.								
NCWise Owl's On-Line Subscriptions								
(Senate)	\$628,000	R	\$628,000	R				
Currently, NC WISEOWL is operated by the North Carolina Department of Public Instruction and offers on-line resources (periodicals, encyclopedia, etc.) for K-12 teachers and students. Federal resources that have been discontinued have covered the subscription cost. The subscription service and funding should be transferred to be a part of the resource base of NC LIVE at the Department of Cultural Resources effective in FY 2002-03.								
(House)					\$628,000	R	\$628,000	R
The Department of Public Instruction will work collaboratively with the Department of Cultural Resources and report to the Joint Information Technology Appropriations Subcommittee by March 15, 2002 as to the feasibility of merging NCWISE OWL with NCLIVE (which also offers online subscription services.)								
Total Legislative Changes	(\$95,479,458)	R	(\$91,025,591)	R	(\$111,910,068)	R	(\$93,437,139)	R
	\$64,784,108	NR	\$0	NR	\$66,034,108	NR	\$0	NR
Total Position Changes	585.50		645.50		262.50		635.00	
Revised Budget	\$5,893,107,574		\$5,930,005,558		\$5,877,926,964		\$5,927,594,010	